

George Municipality

Budget 2013/14 to 2015/16

Medium Term Revenue and
Expenditure Framework

29 May 2013



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Glossary

Adjustments Budget – Prescribed in section 28 of the MFMA. The formal means by which a municipality may revise its annual budget during the year.
Allocations – Money received from Provincial or National Government or other municipalities.
Assessment Rates – Local Government taxation based on an assessed value of a property. To determine the rates payable, the assessed rateable value is multiplied by the rate in the rand.
Budget – The financial plan of the Municipality.
Budget Related Policy – Policy of a municipality affecting or affected by the budget, such as the tariffs policy, rates policy and credit control and debt collection policy.
Capital Expenditure – Spending on assets such as land, buildings and machinery. Any capital expenditure must be reflected as an asset on the Municipality's Statement of Financial Performance.
CRR – Capital Replacement Reserve. A cash reserve set aside for future capital expenditure.
Cash flow statement – A statement showing when actual cash will be received and spent by the Municipality. Cash payments do not always coincide with budgeted expenditure timings. For example, when an invoice is received by the Municipality it scores as expenditure in the month it is received, even though it may not be paid in the same period.
DORA – Division of Revenue Act. Annual piece of legislation that shows the amount of allocations from national to local government.
Equitable Share – A general grant paid to municipalities. It is predominantly targeted to help with free basic services.
Fruitless and wasteful expenditure – Expenditure that was made in vain and would have been avoided had reasonable care been exercised.
GFS – Government Finance Statistics. An internationally recognised classification system that facilitates like for like comparison between municipalities.
GRAP – Generally Recognised Accounting Practice. The new standard for municipal accounting and basis upon which the Annual Financial Statements are prepared.
IDP – Integrated Development Plan. The main strategic planning document of the Municipality
KPI's – Key Performance Indicators. Measures of service output and/or outcome.
MFMA – The Municipal Finance Management Act – no 53 of 2003. The principle piece of legislation relating to municipal financial management.

<p>MTREF – Medium Term Revenue and Expenditure Framework. A medium term financial plan, usually 3 years, based on a fixed first year and indicative further two years budget allocations. Also includes details of the previous and current years' financial position.</p>
<p>Operating Expenditure – Spending on the day to day expenses of the Municipality such as salaries and wages.</p>
<p>SDBIP – Service Delivery and Budget Implementation Plan. A detailed plan comprising quarterly performance targets and monthly budget estimates.</p>
<p>Strategic Objectives – The main priorities of the Municipality as set out in the IDP. Budgeted spending must contribute towards the achievement of the strategic objectives.</p>
<p>Unauthorised expenditure – Generally, spending without, or in excess of, an approved budget.</p>
<p>Virement – A transfer of budget.</p>
<p>Virement Policy - The policy that sets out the rules for budget transfers. Virements are normally allowed within a vote. Transfers between votes must be agreed by Council through an Adjustments Budget.</p>
<p>Vote – One of the main segments into which a budget is divided. In George Municipality this means at directorate level.</p>

Part 1 – Annual Budget

1.1 Mayoral Budget Speech

The budget speech is attached as a separate document.

1. 2 - Council Resolutions

On 29 May 2013 the Council of George Municipality had a meeting to approve the annual budget for the year 2013/14. The following resolutions are contained in item 4.2 to the agenda of the Special Council meeting held on 29 May 2013 at 10h00:

- (a) that the following policies be approved:
 - (i) Customer care, credit control and debt collection;
 - (ii) Indigent policy;
 - (iii) Tariff policy;
 - (iv) Property rates policy;
 - (v) Cash Management and Investment Policy;
 - (vi) SCM Policy;
 - (vii) Asset Management Policy;
 - (viii) Virement Policy;
 - (ix) Funding, Borrowing and Reserve Policy.
- (b) that the annual budget for the financial year 2013/14 and indicative outer years 2014/15 and 2015/16 be approved as set-out:
 - (i) Capital expenditure by project as contained in annexure "A" to the agenda;
 - (ii) Capital funding by source as contained in annexure "A" to the agenda;
 - (iii) Operating revenue by source as contained in Table A4 of the report;
 - (iv) Operating expenditure by type as contained in Table A4 of the report;
- (c) that property rates as reflected in the report be imposed for the budget year 2013/14;
- (d) that tariffs and services charges as reflected in the formal tariff list be approved for the budget year 2013/14;
- (e) that the capital funding, both internal and external funding, be secured prior to the commencement of any new capital project;
- (f) that the annual budget documentation for 2013/14 – 2015/16 as outlined in the budget regulations be submitted to National and Provincial Treasury.

1.3 – Budget 2012/13 Mid-year Review and adjustments budget

The following table shows the original and adjustments budget for 2012/13.

R'000	Original Budget 2012/13	MYR Adjusted Budget 2012/13	Difference
Capital	R150 922	R153 373	R2 451
Operating Income	R1 042 619	R1 084 006	R41 387
Operating Expenditure	R983 290	R1 019 256	R35 966

The 2012/13 adjustments budget was taken into account in the preparation of the 2013/14 MTREF. In particular, the capital budget must be set at a level that is realistic in terms of the capacity to deliver and the ability to fund.

1.4 – Executive Summary

The Budget Committee was confronted with numerous challenges during the budget process. The following had an impact:

- The continued negative effect of the economic downturn;
- The addressing of service delivery shortcomings as identified in the adjustments budget in February 2013 and its effect on the available funding;
- The funding constraints with regards to the low available funding for the Capital Budget through the Capital Replacement Reserve;
- The fact that George Municipality is “over borrowed” which has resulted in our capital costs compromises a large percentage of the operating budget; and
- Nersa’s directive that bulk purchases will increase by 7,3% for municipalities and municipal electricity tariff increase should not exceed 7%.

A continued strategy was followed as outlined within this Council’s long term financial plan with the compilation of this budget, whereby the following was done;

- The municipality needs to focus on its core functions. During the adjustments budget the Budget Committee, Portfolio Councillors in conjunction with the Heads of Departments, scrutinised the budget to affect all possible savings;
- The need to maximise income through efficiencies and the way we do business was investigated before we decided to increase our rates, service charges and other tariffs;
- A continued effort will be made to enhance our income to ensure that all consumers are billed correctly and are contributing to the municipality’s income as set out in our tariff policy;
- Sufficient provision for debtor’s impairment was budgeted for in the operating budget. The writing off of irrecoverable debt will also be scrutinized through the business processes of the internal credit control unit, which unit will be managed by a credit control committee to ensure that proper credit control measures are in place and also to recommend the writing off of debt to council;

- A provision for a contribution to the capital replacement reserve (CRR) in the operating budget has been made in order to grow our reserve;
- The capital contributions policy is to be reviewed to ensure that the municipality receives fair compensation from bulk capacity sold to developers which are needed for their developments;
- A greater emphasis will be placed on improving our cash management practices, within the legal prescripts, to improve our liquidity position;
- The Budget Committee has re-emphasised its wish that the capital budget, as with the previous budget, also be a maintenance budget which will be limited to the available cash funds at our disposal without seeking external loan funding;
- All attempts need to be made to maximise National and Provincial Government grants to service our capital program;
- A land audit will be undertaken to identify specific strategic land which may be sold to effect growth in George and to build our CRR with proceeds received.

Council approved a new organisational structure during the 2012/13 financial year that reduced the number of directorates from eight to seven. Community Safety was combined with Environmental Affairs to establish the new directorate namely Community Services. Minor changes to the micro structure were also made. These changes were made to streamline service delivery and to affect savings.

The 2012/13 adjustments budget in February 2013 again proved that the ability of Council to reduce costs is limited due to the fact that the fixed cost component of the operating budget exceeds the variable costs by far. The adjustments budget nonetheless defined the basis for the draft budget.

Salaries, depreciation, interest on external loans and bulk purchases of electricity absorbs ±65% of the budget. Service delivery will be severely affected by reducing the variable costs.

In spite of the abovementioned challenges, the Budget Committee managed to restrict all tariff increases to single digit increases with an average of 7,7%.

George Integrated Public Transport Network (GIPTN)

This Municipality aims to introduce a reliable, affordable, scheduled public transport service. The first services are scheduled to commence in 2014, negotiations with the Operating Company is in an advance stage.

The introduction of this service requires that the fare structure for George be included in the tariffs list and that the approved fare structure be gazetted.

The proposed tariffs will be finalised once the negotiations between Government (Council and Province) and the Operating Company have been concluded.

The following municipal processes are included within the GIPTN project that needs to be managed to meet the project deadline;

- Legislatively required approvals from Council
- Legislatively required public comment processes
- Progress updates to Mayoral Planning, Mayco and Council
- Supply chain management processes for contracting (on-going)
- National grant funding requires milestones for coming year
- Transfer of PTI/PTNO funds contingent on reaching milestones
- High-level milestones being finalised for submission to NT for payment schedule
- Unspent grant funding is not rolled over i.e. use it or lose it. Additional funding contingent on reaching milestones and achieving spending.

Key Milestones of the GIPTN project:

The following key project milestones have been set for the project;

▪ Branding Approval	May 2013 (entire project dependent)
▪ Position of Bus Stops	May 2013
▪ Construction Bus Stops (650)	July 2013 to March 2014
▪ Operator Contract – Council Approval	May/June 2013
▪ Vehicle Purchase – Place order	1 July 2013
▪ Prepare buses and depots	Oct 2013 – Jan 2014
▪ Fare Collection and Management	Appointment July 2013
▪ Auxiliary contracts - Call centre (SLA's)	Aug 2013
▪ Infrastructure	April 2013 on-going
▪ Operations, Oversight and Reporting	March 2013 to Aug 2013
▪ Vehicle Operating Company Training, Corporation establishment	April 2013 to Jan 2014

It must be specifically noted that the establishment of the GIPTN project is running at a tight time schedule. National Treasury (NT) has set strict conditions for all IPTN Grant funded projects where all unspent grant funding is not allowed to be roll over, which means use it or lose it.

While however this may be regarded as a project risk, it must also be noted that this may be to the advantage to local authorities that manage their projects effectively. Where funding can be shifted by NT to other municipalities where their transport projects are ahead of schedule or where the project could be re-scheduled/ moved forward if additional funding is made available through an adjustments budget of NT.

There are various matters that still need to be ironed out before the project can kick-off. The one main obstacle being the external loan funding needed to procure the bus fleet. As things currently stand with the Grant funding to be received over the MTREF period does not allow for the full procurement of the fleet and the construction of the needed road infrastructure.

Therefor external loan funding is needed for a bridging period of three financial years to fund the purchase of the entire fleet. The capital charges (interest and redemption) will be made from Grant funding received. There is a huge risk that the market may not be interested to fund such loan request given George Municipalities' huge external loan debt.

It is proposed that National Treasury be approached to make additional Grant funding available for the purchase of the bus fleet so that a loan is not required.

MFMA Circulars

National Treasury sent out MFMA Circular No. 66 on 11 December 2012 providing guidance to municipalities on their 2013/14 budgets and Medium Term Revenue and Expenditure Framework (MTREF). Circular 66 was followed up by Circular no. 67 dated 12 March 2013. Circular No. 66 & 67 reminds us of the key focus areas for the 2013/2014 budget process, and that it must be read together with MFMA Circulars no. 48, 51, 54, 55, 58 and 59. It is essential reading material in order to understand the background to this budget.

National Treasury has also set out the requirements for funding the budget and producing a credible budget.

Funding the Budget

Section 18(1) of the MFMA states that an annual budget may only be funded from:

- Realistically anticipated revenues to be collected;
- Cash-backed accumulated funds from previous years' surpluses not committed for other purposes; and
- Borrowed funds, but only for the capital budget referred to in section 17(2).

Achievement of this requirement in totality effectively means that a Council has 'balanced' its budget by ensuring that budgeted outflows will be offset by a combination of planned inflows.

Under old budget formats a 'balanced' income generated approach was a key objective and this assisted in ensuring that outflows were matched by inflows, provided revenue collections were realistic. However, GRAP compliant budgets necessitate that budget 'balancing' be much more comprehensive.

New budgeting and accounting formats demand that the budgeted Statement of Financial Performance, the Budgeted Statement of Financial Position and the Budgeted Statement of Cash Flows must be considered simultaneously to ensure effective financial management and sustainability.

A Credible Budget

Amongst other things, a credible budget is a budget that:

- Funds only activities consistent with the revised IDP and vice versa ensuring the IDP is realistically achievable given the financial constraints of the municipality;
- Is achievable in terms of agreed service delivery and performance targets;

- Contains revenue and expenditure projections that are consistent with current and past performance and supported by documented evidence of future assumptions;
- Does not jeopardise the financial viability of the municipality (ensures that the financial position is maintained within generally accepted prudential limits and that obligations can be met in the short, medium and long term); and
- Provides managers with appropriate levels of delegation sufficient to meet their financial management responsibilities.

A budget sets out certain service delivery levels and associated financial implications. Therefore the community should realistically expect to receive these promised service delivery levels and understand the associated financial implications. Major under spending due to under collection of revenue or poor planning is a clear example of a budget that is not credible and unrealistic.

Furthermore, budgets tabled for consultation at least 90 days prior to the start of the budget year should already be credible and fairly close to the final approved budget.

Budgeted Deficit versus Depreciation

The depreciation budget for the MTREF, calculated on the existing assets, is R100 225 139 for 2013/14, R95 887 789 and R89 430 369 respectively for the two outer years.

Depreciation is calculated by using the straight line method over the life-span of the asset. The assets in the asset register are funded from different funding sources and the depreciation of these assets is also treated differently.

The table below is a summary of the total depreciation broken up in the different funding source categories:

Funding Source	DEPRECIATION		
	2013/14 B	2014/15 R	2015/16 R
Accumulated surplus	5 641 754	5 376 778	5 389 771
Capital Reserve	9 020 089	8 558 469	7 723 793
Conditional Grants	23 519 269	22 919 997	22 555 045
Public Contributions	4 157 537	3 354 522	3 188 828
Donations	330 308	330 308	330 308
External loans	37 045 676	36 410 871	33 023 594
CCR – own funds	20 510 504	18 936 842	17 182 467
TOTAL	R100 225 139	R95 887 789	R89 430 370

George Municipality has used the “cost model” to implement GRAP 17. The fact that George Municipality has created 75% of its depreciable asset base in the last ten years has increased the depreciation cost beyond normal tariff increases.

As example a filtration plant was constructed with funds from the emergency drought relief grant. A capital asset of ± R95 million was created with an estimated life span of 20 years. The impact on the depreciation budget was an additional depreciation to the amount of R4.75 million per year.

It is impossible to give this burden through to the inhabitants of George. To soften the impact of this depreciation a “claw back” of depreciation is done during the budget process as part of the tariff setting. This inevitably leads to a budgeted deficit on the Budgeted Statement of Financial Performance.

This position has been exacerbated by the extensive funding of capital projects from External Loans (EFF). George Municipality is budgeting for interest and redemption repayments to the value of ±R85 million per year for the MTREF.

The normal contributions to the capital reserve consist of capital contributions from the public, sales of property (mostly vacant erven) and an annual contribution to the CRR from uncommitted cash backed reserves.

Council has decided during the budget process to commit the reclaimed VAT related to conditional grant expenditures to funding the CRR.

In other words this “own revenue” is contributed to the CRR as the VAT is reclaimed after the conditions of the grant have been met.

Council has introduced a specific line item in the budget to specifically budget for a contribution to the CRR. This contribution will be equal to the decline in interest payments on an annual basis.

The amounts for the MTREF are R4.393 million – 2013/14, R8.17 million – 2014/15 and R12.265 million – 2015/16.

1.5 – Budget Overview of the 2013/14 MTREF

This section provides an overview of the George Municipality’s 2013/14 to 2015/16 MTREF. It includes an assessment of how the budget links with the national and provincial government contexts along with a review of the fiscal position of George Municipality.

The Municipality’s budget must be seen within the context of the policies and financial priorities of national, provincial and district government. In essence, the spheres of Government are partners in meeting the service delivery challenges faced in George. George alone cannot meet these challenges. It requires support from the other spheres of Government through the direct allocation of resources as well as the achievement of their own policies.

According to Circular No. 67, the following headline forecasts underpin the national 2013 Budget:

Fiscal Year	2011/12 Actual	2012/13 Estimate	2013/14	2014/15	2015/16
			Forecast		
Headline CPI Inflation	5,6%	5,6%	5,6%	5,4%	5,4%

The growth parameters apply to tariff increases for property rates, user and other charges raised by municipalities and municipal entities, to ensure that all spheres of government support the national macro economic policies, unless it can be shown that external factors impact otherwise.

The budget process in George followed the requirements of the MFMA. A Table of key deadlines was prepared for tabling in Council by the Mayor prior to the end of August 2012.

A Budget Committee was established to examine, review and prioritise budget proposals from departments.

The Draft budget was tabled on 28 March 2013. The final budget will be approved by Council by on 29 May 2013.

Over the 3 year period, the Municipality is planning to spend R680,5 million on capital investment for the infrastructure needs of the town. In 2013/14 the capital budget is R251 million. Operating expenditure in 2013/14 is budgeted at R1 174 million.

The MFMA requires municipalities to set out measurable performance objectives when tabling their budgets. These “key deliverables” link the financial inputs of the budget to service delivery on the ground.

As a further enhancement to this, quarterly service targets and monthly financial targets are contained in the Service Delivery and Budget Implementation Plan (SDBIP). This must be approved by the Mayor within 28 days after the approval of the final budget and forms the basis for the Municipality’s in year monitoring.

In view of the aforementioned, the following table is a consolidated overview of the proposed MTREF:

Table 1: Consolidated Overview of the 2013/14 MTREF

	Adjustments Budget 2012/13	Budget Year 2013/14	Budget Year 2014/15	Budget Year 2015/16
Total Operating Revenue	1,084,005,592	1,282,979,268	1,173,989,637	1,214,700,005
Less: Total Operating Expenditure	1,019,256,270	1,173,924,443	1,116,388,864	1,155,716,451
Less: Appropriations	64,720,896	108,989,443	57,530,144	58,922,027
Surplus/(Deficit)	28,426	65,382	70,629	61,527
Total Capital Expenditure	153,373,390	251,023,959	215,174,368	214,330,681

The surplus/(deficit) in the above table differs from that in the SA Tables, as the SA tables does not take into account the appropriations.

1.6 – Operating Revenue Framework

For George Municipality to continue maintaining / improving the quality of services provided to its citizens it needs to generate the required revenue.

The municipality's revenue strategy is built around the following key components:

- National Treasury's guidelines, Circular No. 66 & 67;
- The municipality's Property Rates Policy;
- The municipality's Credit Control and Indigent Policy and rendering of free basic services;
- Tariff policy and structure;
- Electricity tariff increases as approved by the National Electricity Regulator of South Africa (NERSA).
- Revenue enhancement plan.

The following table is a summary of the 2013/14 MTREF (classified by main revenue source):

Table 2: Summary of revenue classified by main revenue sources

Description R thousand	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue &		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Revenue By Source										
Property rates	104,491	118,881	127,788	143,847	144,107	144,107	144,107	158,933	165,289	175,207
Property rates - penalties & collection charges	1,322	1,330	1,218	1,521	5,121	5,121	5,121	5,212	5,309	5,412
Service charges - electricity revenue	267,361	310,240	373,785	408,871	417,170	417,170	417,170	444,276	468,792	496,899
Service charges - water revenue	56,002	67,306	66,393	73,742	81,323	81,323	81,323	86,723	90,124	95,532
Service charges - sanitation revenue	40,852	46,462	52,176	58,230	52,467	52,467	52,467	56,220	58,428	61,933
Service charges - refuse revenue	26,305	30,484	35,101	38,932	36,307	36,307	36,307	38,736	40,318	42,737
Service charges - other	8	13	331	352	352	352	352	373	396	419
Rental of facilities and equipment	1,819	1,829	2,103	2,023	2,071	2,071	2,071	2,192	2,330	2,470
Interest earned - external investments	14,673	14,773	14,715	12,455	13,087	13,087	13,087	13,872	14,704	15,586
Interest earned - outstanding debtors	4,127	4,296	3,573	4,061	4,061	4,061	4,061	4,305	4,563	4,837
Dividends received	–	–	–	–	–	–	–	–	–	–
Fines	3,759	13,149	15,057	17,248	17,498	17,498	17,498	22,499	23,581	23,925
Licences and permits	2,762	2,106	2,451	2,315	2,315	2,315	2,315	2,454	2,601	2,758
Agency services	5,120	5,427	5,751	6,182	6,182	6,182	6,182	6,534	6,906	6,982
Transfers recognised - operational	62,597	137,138	153,465	156,843	169,026	169,026	169,026	262,438	166,068	161,709
Other revenue	13,943	13,945	16,859	23,315	14,540	14,540	14,540	14,049	14,079	14,585
Gains on disposal of PPE	95	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)	605,237	767,379	870,766	949,936	965,626	965,626	965,626	1,118,817	1,063,488	1,110,990

Revenue generated from property rates and service charges forms a significant percentage of the revenue source of the municipality. The above table takes into account revenue foregone arising from discounts and rebates associated with the tariff policies of the Municipality and also capital transfers and contributions.

The following table gives a breakdown of the various grants allocated to George Municipality over the medium term:

Table 3: Grants Allocation

Local government allocations 2013/14 – 2015/16			
	Medium Term Estimates		
	2013/14 R'000	2014/15 R'000	2015/16 R'000
National Grants	327 025	259 673	261 906
Equitable share	85 716	92 615	101 174
Infrastructure (MIG)	41 815	37 968	40 046
Electrification Programme (INEP)	6 000	5 000	8 500
Energy Efficient & Demand Side Management Grant	5 000	5 000	5 000
Financial Management (FMG)	1 300	1 450	1 500
Municipal Systems Improvement (MSIG)	890	934	967
Public Transport Network Operations Grant	89 389	50 449	44 311
Public Transport Infrastructure Grant	90 630	61 805	55 689
Expanded Public Works Programme Incentive Grant (EPWP)	3 285	-	-
Infrastructure Skills Development (IDG)	3 000	4 452	4 719
Provincial Grants	106 548	17 609	7 260
Human Settlement Development Grant	66 005	-	-
Provincial Contribution Towards Acceleration of Housing Delivery	7 500	-	-
Library Services	1 602	6 509	1 660
Maintenance & Contribution of Transport Infrastructure	24 545	4 000	-
Integrated Transport Planning	396	600	600
GIPTN – Operations	5 000	5 000	5 000
GIPTN – Infrastructure	1 500	1 500	-
Total Allocations	433 573	277 282	269 166

TARIFF CHANGES SUGGESTED FOR 2013/14**Property Rates**

Property rates cover the cost of the provision of general services. Determining the effective property rate tariff is therefore an integral part of the municipality's budgeting process.

- 1. RATES IN TERMS OF THE MUNICIPAL PROPERTY RATES ACT, 2004 (ACT NO. 6 OF 2004), INCLUDING DMA AREAS, WILL BE LEVIED AS FOLLOWS:**

- 1.1 PROPERTY TAX ON ALL RESIDENTIAL ZONED PROPERTIES IN THE GREATER GEORGE MUNICIPAL AREA** is as follows:

The tariff applied to the total valuation : R0, 005415

1.2 **PROPERTY TAX ON ALL BUSINESS / INDUSTRIAL ZONED SITES IN THE GREATER GEORGE MUNICIPAL AREA** is as follows:

The tariff applied to the total valuation : R0, 006503

2. **THE FOLLOWING EXCLUSIONS / EXEMPTIONS / REBATES ON PROPERTY RATES WILL BE GRANTED:**

2.1 **EXCLUSION OF IMPERMISSIBLE RATES**

In terms of Section 17 of the Municipal Property Rates Act, 2004 (Act no. 6 of 2004) a Municipality may not levy a rate

- 2.1.1 on the first 30% of the market value of the public service infrastructure;
- 2.1.2 on those parts of a nature reserve, national park or nature reserve within the meaning of the Protected Areas Act;
- 2.1.3 on the first R15 000.00 of the market value of a property assigned in the valuation or supplementary roll to a category determined by the Municipality:
 - (i) for improved and unimproved residential properties;
 - (ii) for properties used for multiple purposes;
- 2.1.4 on a property registered in the name of and used primarily as a place of public worship, including an official residence which is occupied by an office-bearer.

2.2 **REBATES IN RESPECT OF ZONING**

- 2.2.1 Sites zoned for residential purposes and used for residential purposes only and of which the total valuation is R100 000.00 or less, will automatically be exempt from property rates;
- 2.2.2 Regarding sites zoned for residential purposes and used for residential purposes only and of which the valuation is R100 001.00 or more no exemption as stipulated in 2.2.1 above will apply. Section 2.1.3 will apply in these circumstances where an impermissible exclusion will be awarded on the first R15 000.00 of the valuation of the property. A rebate of 20 percent on the rates payable will be granted on the balance of the property valuation exceeding the R15 000.00 exclusion.

2.3 REBATES IN RESPECT OF INCOME

With regard to paragraph 2.2.2 the following additional rebates, to a maximum of 40 percent, will be granted to persons applying before 30 June 2013:

<u>Ratepayer with an annual income of</u>		<u>Percentage rebate</u>
R0	-	R32 000.00
R32 001.00	-	R53 000.00

For the purposes of 2.3 a ratepayer will be defined as follows: “A registered owner of rateable property who inhabits and controls the property and is responsible for the payment of rates on the property”;

For the purpose of 2.3 the income of a ratepayer will be determined as the total income of the ratepayer and his/her spouse from all sources, plus income of all resident children from all sources.

2.4 REBATES IN RESPECT OF AGRICULTURAL PROPERTIES THAT ARE ZONED AND USED FOR AGRICULTURAL PURPOSES

- 2.4.1 A rebate of 75% on rates (refer to 1.1) will be granted in respect of properties which are zoned and used for agricultural purposes;
- 2.4.2 No rebate on rates will be granted to businesses operating on agricultural properties.

2.5 REBATES FOR PROPERTY OF THE STATE AND SCHOOLS

- 2.5.1 A rebate of 20% on rates will be granted to the state and schools based on the tariff applicable in the George Area as outlined in section 1.2 above.

The categories of rate-able properties for purposes of levying rates and the proposed rates for the 2013/14 financial year based on a 8% increase from 1 July 2013 is contained below:

Table 4: Comparison of proposed rates to be levied for the 2013/14 financial year

Category	Current Tariff (1 July 2012)	Proposed tariff (from 1 July 2013)
	cent	cent
Residential properties	0.005014	0.005415
State owned properties	0.006021	0.006503
Business & Commercial	0.006021	0.006503
Agricultural	0.005014	0.005415
Vacant land	0.005014	0.005415
Municipal rateable	-	-
Industrial	0.006021	0.006503
Non-permitted use	-	-
Public benefit organisation properties	0.006021	0.006503

Sale of Water and Impact of Tariff Increases

South Africa faces similar challenges with regard to water supply as it did with electricity, since demand growth outstrips supply. Consequently, National Treasury is encouraging all municipalities to carefully review the level and structure of their water tariffs to ensure:

- Water tariffs are fully cost-reflective – including the cost of maintenance and renewal of purification plants, water networks and the cost associated with reticulation expansion;
- Water tariffs are structured to protect basic levels of service and ensure the provision of free water to the poorest of the poor (indigent); and
- Water tariffs are designed to encourage efficient and sustainable consumption.

In addition National Treasury has urged all municipalities to ensure that water tariff structures are cost reflective by 2014.

A tariff increase of 8% from 1 July 2013 for water is proposed. In addition 6 kℓ water per 30-day period will again be granted free of charge to all residents. The tariff structure is designed to charge higher levels of consumption a higher rate per kilolitre.

The tariff structures of the DMA and George are different. The 8% increase in the current tariff will apply to the DMA area as well.

A summary of the proposed tariffs for households (residential) and non-residential in George are as follows:

Table 5: Proposed Water Tariffs

CATEGORY	CURRENT TARIFFS 2012/13	PROPOSED TARIFFS 2013/14
	Rand per kℓ	Rand per kℓ
RESIDENTIAL		
(i) 0 to 6 kℓ per 30-day period	Free	Free
(ii) 6 to 12 kℓ per 30-day period	9,53	10.29
(iii) 12 to 20 kℓ per 30-day period	10,96	11.84
(iv) 20 to 30 kℓ per 30-day period	13,15	14.20
(v) 30 to 50 kℓ per 30-day period	15,79	17.05
(vi) 50 kℓ per 30-day period	18,00	19.44
NON-RESIDENTIAL		
(i) 0 to 6 kℓ per 30-day period	9,53	10.29
(ii) 6 to 12 kℓ per 30-day period	9,53	10.29
(iii) 12 to 20 kℓ per 30-day period	10,96	11.84
(iv) 20 to 30 kℓ per 30-day period	13,15	14.20
(v) 30 to 50 kℓ per 30-day period	14,43	15.58
(vi) 50 kℓ per 30-day period	15,79	17.05

The following table shows the impact of the proposed increases in water tariffs on the water charges for a single dwelling-house:

Table 6: Comparison between current water charges and increases (Domestic)

Monthly consumption kℓ	Current amount payable R	Proposed amount payable R	Difference (Increase) R	Percentage change
20	144.85	156.44	11.59	8.00%
30	276.39	298.50	22.11	8.00%
40	434.29	469.03	34.74	8.00%
50	592.19	639.57	47.38	8.00%
80	1,132.29	1,222.87	90.58	8.00%
100	1,492.37	1,611.76	119.39	8.00%

A summary of the proposed tariffs for households (residential) and non-residential in the DMA area is as follows:

Table 7: Comparison between current water charges and increases in the DMA area (Domestic)

CATEGORY	CURRENT TARIFFS 2012/13	PROPOSED TARIFFS 2013/14
	Rand per kℓ	Rand per kℓ
RESIDENTIAL		
(i) 0 to 6 kℓ per 30-day period	Free	Free
(ii) 6 to 12 kℓ per 30-day period	4,23	4.57
(iii) 12 to 20 kℓ per 30-day period	4,86	5.25
(iv) 20 to 30 kℓ per 30-day period	5,84	6.31
(v) 30 to 50 kℓ per 30-day period	7,00	7.56
(vi) 50 kℓ per 30-day period	7,99	8.63
NON-RESIDENTIAL		
(i) 0 to 6 kℓ per 30-day period	4,23	4.57
(ii) 6 to 12 kℓ per 30-day period	4,23	4.57
(iii) 12 to 20 kℓ per 30-day period	4,86	5.25
(iv) 20 to 30 kℓ per 30-day period	5,84	6.31
(v) 30 to 50 kℓ per 30-day period	6,40	6.91
(vi) 50 kℓ per 30-day period	7,01	7.57

Sale of Electricity and Impact on Tariff Increases

Although Eskom has announced a general 7.1 % tariff increase for municipalities, it was noted that they have restructured their tariffs as from 1 July 2013. Their actual (Eskom) tariff increase within the George municipal distributional area has been modelled using their new tariff structure and the average increase for George, Wilderness and Uniondale's indicates a combined bulk purchase tariff increase of 7.95%.

Other municipalities that have also modelled the Eskom tariffs appear to have similar increases. Although the actual increase is higher than 7.1%, municipalities are encouraged to limit their municipal electricity tariffs for the 2013/14 as per the NERSA's guideline to 6%.

Considering the Eskom increases, the consumer tariff will be increased by 6.5 % to offset the additional bulk purchase cost from 1 July 2013.

The following table shows the impact of the proposed increases in electricity tariffs on the water charges for domestic customers:

Table 8: Comparison between current electricity charges and increases Domestic – Single phase consumer: one part Pre-Paid (VAT exclusive)

Monthly consumption kWh	Current amount Payable 117,81 c / unit R	Proposed amount Payable 125,47 c / unit R	Difference (Increase) R	Percentage change
100	117,81	125.47	7.66	6.50%
250	294,53	313.67	19.14	6.50%
500	589,05	627.34	38.29	6.50%
750	883,58	941.01	57.43	6.50%
1 000	1 178,10	1,254.68	76.58	6.50%
2 000	2 356,20	2,509.35	153.15	6.50%

Indigent – single phase consumers: One part Pre-paid meter (VAT exclusive)

Monthly consumption kWh	Current amount Payable 81,47 c / unit R	Proposed amount Payable 86,77 c / unit R	Difference (Increase) R	Percentage change
100	40.74	43.38	2.65	6.50%
250	162.94	173.53	10.59	6.50%
500	366.62	390.44	23.83	6.50%

The Budget Committee furthermore decided to re-award the 20kWh electricity to all indigent households.

Sanitation and Impact of Tariff Increases

A tariff increase of 8% for sanitation from 1 July 2013 is proposed.

The following table compares the current and proposed tariffs:

Table 9: Comparison between current sanitation charges and increases:

CURRENT TARIFF 2012/13 Rand per year	PROPOSED TARIFF 2013/14 Rand per year	DIFFERENCE R	% INCREASE
1 561.67	1 686.60	124.93	8.00%

Waste Removal and Impact of Tariff Increases

An 8% increase in the refuse removal tariff is proposed from 1 July 2013.

Table 10: Comparison between current waste fees and increases for a single dwelling-house

CURRENT TARIFF 2012/13 Rand per year	PROPOSED TARIFF 2013/14 Rand per year	DIFFERENCE R	% INCREASE
1 236.00	1 335.00	99.00	8.00%

The following table compares current and proposed amounts payable from 1 July 2013:

Table 11: Comparison between current waste removal fees and increases

	CURRENT TARIFFS 2012/13		PROPOSED TARIFFS 2013/14	
Tariff per container per month or part of a month: Areas serviced by means of: (Tariff is multiplied by the number of service rounds per week and the number of containers.)	Per litre (per service) (R)	Per month (R)	Per litre (per service) (R)	Per month (R)
7 X 85ℓ container (black bag) removed once a week	0.0433	103.00	0.0468	111.24
1 x 240ℓ container removed once a week	0.1757	168.67	0.1898	182.16
2 x 240ℓ container removed 3 times a week	0.2251	648.17	0.2431	700.02

The cost of establishing of a composting plant, the closure of the dumping site, the establishing of a landfill site in Uniondale and the transport of household waste to PETRO SA, are putting a tremendous pressure on the financial viability of the waste removal service. Urgent strategic decisions are needed in this regard.

Overall impact of tariff increases on households

The following table shows the overall expected impact of tariff increases on a large and small household, as well as an indigent household receiving free basic services.

Table 12: MBRR Table SA14 – Household bills

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Rand/cent											
<u>Monthly Account for Household - 'Middle Income Range'</u>	1										
Rates and services charges:											
Property rates		300.00	327.00	346.65	370.92	370.92	376.05	8.0%	406.13	438.62	473.70
Electricity: Basic levy		–	–	–	–	–	–	–	–	–	–
Electricity: Consumption		719.91	863.87	1,039.88	1,178.10	1,178.10	1,178.10	6.5%	1,254.70	1,329.90	1,481.00
Water: Basic levy		41.68	47.52	50.37	54.40	54.40	54.40	8.0%	58.75	63.45	68.53
Water: Consumption		191.70	241.46	255.92	276.39	276.39	276.36	8.0%	298.46	322.28	348.08
Sanitation		104.29	113.68	120.50	130.14	130.14	130.14	8.0%	140.55	151.79	163.94
Refuse removal		78.25	89.92	95.33	103.00	103.00	103.00	8.0%	111.25	120.14	129.75
Other		–	–	–	–	–	–	–	–	–	–
	sub-total	1,435.83	1,683.45	1,908.65	2,112.95	2,112.95	2,118.05	7.4%	2,269.84	2,426.18	2,665.00
VAT on Services		159.02	189.90	218.68	243.88	243.88	296.53		317.78	339.67	373.10
Total large household bill:		1,594.85	1,873.35	2,127.33	2,356.83	2,356.83	2,414.58	9.8%	2,587.62	2,765.85	3,038.10
% increase/-decrease				17.5%	13.6%	10.8%	–	2.5%	7.2%	6.9%	9.8%
<u>Monthly Account for Household - 'Affordable Range'</u>	2										
Rates and services charges:											
Property rates		60.00	65.40	69.33	74.18	74.18	75.21	8.0%	81.23	87.72	94.74
Electricity: Basic levy		–	–	–	–	–	–	–	–	–	–
Electricity: Consumption		351.14	421.36	507.21	586.69	586.69	589.05	6.5%	627.35	664.95	740.50
Water: Basic levy		41.68	47.52	50.37	54.40	54.40	54.40	8.0%	58.75	63.45	68.53
Water: Consumption		149.70	184.01	195.02	210.62	210.62	210.61	8.0%	227.46	245.63	265.32
Sanitation		104.29	113.68	120.50	130.14	130.14	130.14	8.0%	140.55	151.79	163.94
Refuse removal		78.25	89.92	95.33	103.00	103.00	103.00	8.0%	111.25	120.14	129.75
Other		–	–	–	–	–	–	–	–	–	–
	sub-total	785.06	921.89	1,037.76	1,159.03	1,159.03	1,162.41	7.6%	1,246.59	1,333.68	1,462.78
VAT on Services		101.51	119.91	135.58	151.88	151.88	162.74		174.52	186.72	204.79
Total small household bill:		886.57	1,041.80	1,173.34	1,310.91	1,310.91	1,325.15	8.4%	1,421.11	1,520.40	1,667.57
% increase/-decrease				17.5%	12.6%	11.7%	–	1.1%	7.2%	7.0%	9.7%
<u>Monthly Account for Household - 'Indigent'</u>	3										
<u>Household receiving free basic services</u>											
Rates and services charges:											
Property rates		–	–	–	–	–	–	–	–	–	–
Electricity: Basic levy		–	–	–	–	–	–	–	–	–	–
Electricity: Consumption		29.38	35.26	42.44	70.69	70.69	244.41	(0.6%)	242.96	257.52	272.97
Water: Basic levy		41.68	47.52	50.37	54.40	54.40	54.40	8.0%	58.75	63.45	68.53
Water: Consumption		–	–	–	–	–	144.86	8.0%	156.46	168.98	182.48
Sanitation		104.29	113.68	120.50	130.14	130.14	130.14	8.0%	140.55	151.79	163.94
Refuse removal		78.25	89.92	95.33	103.00	103.00	103.00	8.0%	111.25	120.14	129.75
Other		–	–	–	–	–	–	–	–	–	–
	sub-total	253.60	286.38	308.64	358.23	358.23	676.81	98.2%	709.97	761.88	817.67
VAT on Services		35.50	40.09	43.21	50.15	50.15	94.75		99.40	106.66	114.47
Total small household bill:		289.10	326.47	351.85	408.38	408.38	771.56	98.2%	809.37	868.54	932.14
% increase/-decrease				12.9%	7.8%	16.1%	–	88.9%	4.9%	7.3%	7.3%

References

1. Use as basis property value of R700 000, 1 000 kWh electricity and 30kl water
2. Use as basis property value of R500 000 and R700 000, 500 kWh electricity and 25kl water
3. Use as basis property value of R 300 000, 350kWh electricity and 20kl water (50 kWh electricity and 6 kl water free)

1.7 – Operating Expenditure Framework

The expenditure framework for the 2013/14 budget and MTREF is informed by the guidelines of National Treasury.

The operating expenditure increased from R1 019 million (2012/13) to R1 173 million in 2013/14.

The following table is a summary of the 2013/14 MTREF (classified by main expenditure types):

Table 13: Summary of operating expenditure by type

Description R thousand	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue &		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Expenditure By Type										
Employee related costs	219,740	228,773	248,879	260,586	262,125	262,125	262,125	291,994	310,243	331,648
Remuneration of councilors	9,758	10,691	13,868	15,472	15,472	15,472	15,472	16,952	18,139	19,408
Debt impairment	13,946	27,524	19,558	21,294	21,294	21,294	21,294	22,000	29,100	31,200
Depreciation & asset impairment	79,563	94,577	106,672	101,989	107,934	107,934	107,934	100,225	95,888	89,430
Finance charges	47,342	53,170	57,217	54,028	54,420	54,420	54,420	51,536	47,599	43,325
Bulk purchases	151,841	192,921	244,297	279,863	281,839	281,839	281,839	301,850	325,998	352,078
Other materials	331	324	140	194	203	203	203	238	238	238
Contracted services	34,039	94,627	100,248	100,374	117,598	117,598	117,598	210,362	103,600	94,783
Transfers and grants	5,508	5,124	1,188	2,011	1,446	1,446	1,446	2,318	2,331	2,343
Other expenditure	150,596	137,373	135,958	147,480	156,926	156,926	156,926	176,450	183,253	191,264
Loss on disposal of PPE	2,467	440	11,286	–	–	–	–	–	–	–
Total Expenditure	715,130	845,545	939,312	983,290	1,019,256	1,019,256	1,019,256	1,173,924	1,116,389	1,155,716

The overall increase of 15% can be attributed to increases and decreases on several expenditure components.

Reasons for significant cost variances:

- Debt impairment – The calculation is based on the 2012/13 collection ratios and also the current economic climate in the George.
- Bulk purchases – The increase is based on the tariff for bulk purchases as set out by NERSA.
- Contracted Services – The budget for contracted services has increased from R281,8 million (2012/13) to R301,8 million (2013/14) due to the GIPTN and N2/York Bridge Widening projects.
- Finance charges declined because the redemption portion of the loans is increasing versus the interest payments that are declining.

Table 14: Repairs and maintenance per asset class

Description R thousand	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue &		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Repairs and Maintenance by Asset Class	52,446	55,364	52,814	64,618	65,436	65,436	70,758	74,341	78,168
Infrastructure - Road transport	18,864	19,301	16,945	19,301	18,924	18,924	19,227	20,247	21,318
Infrastructure - Electricity	7,182	6,688	4,977	8,070	6,204	6,204	7,882	8,324	8,771
Infrastructure - Water	6,307	3,506	3,667	6,849	5,604	5,604	5,770	6,070	6,385
Infrastructure - Sanitation	6,657	9,648	10,842	9,660	13,437	13,437	13,885	14,579	15,308
Infrastructure - Other	-	1	7	11	11	11	10	11	12
Infrastructure	39,010	39,145	36,438	43,890	44,179	44,179	46,774	49,231	51,794
Community	1,965	3,449	2,605	3,302	3,803	3,803	4,126	4,321	4,525
Heritage assets	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Other assets	11,472	12,770	13,771	17,425	17,454	17,454	19,858	20,789	21,849
TOTAL EXPENDITURE OTHER ITEMS	132,008	149,941	159,486	166,606	173,370	173,370	170,984	170,229	167,598

1.8 – Capital Budget

The capital budget increased from R153,4 million (2012/13) to R251 million in 2013/14.

With the current long term borrowing commitments on the operating budget it was decided to limit the capital projects linked to external funding. The amount of R64,58 million allocated to external funding relates to projects indicated as EFF on the capital schedules. R46,6 million is earmarked for the purchasing of busses for the GIPTN project.

The Budget Committee went through several stages of prioritising the capital budget to contain the budget within the available funding.

Table 15: Capital funding by source

Vote Description R thousand	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue &			
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Funded by:										
National Government	92,318	60,775	38,703	56,992	44,011	44,011	44,011	94,446	32,034	31,582
Provincial Government	3,592	10,851	11,332	34,454	57,563	57,563	57,563	32,406	39,308	43,305
District Municipality	-	-	-	-	-	-	-	-	-	-
Other transfers and grants	0	542	(0)	-	4,000	4,000	4,000	3,200	-	-
Transfers recognised - capital	95,910	72,168	50,035	91,446	105,575	105,575	105,575	130,051	71,342	74,887
Public contributions & donations	3,000	-	29	-	-	-	-	6,000	14,000	16,000
Borrowing	126,319	47,704	20,291	11,350	5,350	5,350	5,350	64,580	56,150	58,289
Internally generated funds	17,838	16,762	39,340	48,126	42,449	42,449	42,449	50,393	73,682	65,155
Total Capital Funding	243,067	136,635	109,695	150,922	153,373	153,373	153,373	251,024	215,174	214,331

Internal Funding

One of the main problems impacting on the capital budget was once again the expected contributions to the Capital Replacement Reserve (CRR) for the current year. At the mid-year assessment the capital contribution votes under collected and projected below the budgeted figures.

This situation also accentuated the fact that emphasis must be put on expanding the current income sources and exploring other income sources.

A contribution of R23 million was made to the CRR in November 2012. The 2012/13 Capital Adjustments Budget required a further contribution of R14 million from the cash reserves. The indications are that the balance needed will realize towards the end of the financial year.

Furthermore the Budget Committee has decided to make a specific contribution from the Operating Budget to the CRR's for the 2013/14 year apart from the normal capital contributions and sale of property proceeds. The Budget Committee further emphasised the need for revenue enhancement measures will be instituted in this financial year to broaden the income base.

Although the budgeted income and expenditure are realistically anticipated, the situation regarding the available internal funds will be monitored closely and expenditure on capital projects linked to the CRR will be managed according to the available cash. To facilitate this process the Budget Committee has prioritized the Capital Budget.

External Funding

The Budget Committee has reconfirmed its commitment not to rely on external funding to fund the capital budget. The planned provision made within this budget for capital expenditure financing from obtaining external funds for 2013/14 amounts to R64,58 million, of which R46,6 million is earmarked for the purchasing of busses for the GIPTN project. The balance of R17,9 million will be used to purchase vehicles.

As Council is opposed to taking up any further external loans because of our already high loan debt, high capital charges (interest and redemption) and our current available cash reserve (CRR) position we need to reconsider the funding of the capital budget before the finalisation of the 2013/14 budget.

The Budget Committee has carried forward a council decision taken with the approved budget of 2012/2013 to finance vehicles through external funding, where vehicles will be leased and that such finance lease payments be funded from savings in the operating budget by replacing the current hired vehicles.

The following table provides a breakdown of the budgeted capital expenditure by classification:

Table 16: Capital expenditure by GFS classification

Vote Description R thousand	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Budget Year		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	2013/14	+1 2014/15	+2 2015/16
Capital Expenditure - Standard										
<i>Governance and administration</i>	531	876	284	920	1,561	1,561	1,561	8,325	4,335	1,890
Executive and council	–	–	84	30	247	247	247	2,600	565	–
Budget and treasury office	–	720	200	230	155	155	155	780	280	280
Corporate services	531	155	–	660	1,159	1,159	1,159	4,945	3,490	1,610
<i>Community and public safety</i>	16,834	8,671	8,416	14,221	14,900	14,900	14,900	24,803	30,983	22,000
Community and social services	519	2,423	2,025	1,319	546	546	546	1,325	5,860	500
Sport and recreation	12,842	1,019	1,512	2,808	7,386	7,386	7,386	8,570	5,423	3,000
Public safety	1,942	512	3,739	6,009	5,915	5,915	5,915	7,165	3,500	2,000
Housing	1,530	4,716	1,141	4,085	993	993	993	7,743	16,200	16,500
Health	–	–	–	–	60	60	60	–	–	–
<i>Economic and environmental services</i>	33,652	14,123	13,722	33,229	31,752	31,752	31,752	124,030	87,483	84,968
Planning and development	332	–	–	–	–	–	–	–	–	–
Road transport	33,311	14,077	13,715	33,229	31,752	31,752	31,752	123,430	87,183	84,968
Environmental protection	8	46	7	–	–	–	–	600	300	–
<i>Trading services</i>	192,050	112,965	87,273	102,552	105,160	105,160	105,160	93,866	92,373	105,473
Electricity	48,576	55,005	35,613	25,175	23,786	23,786	23,786	18,563	28,338	25,221
Water	121,994	48,494	21,487	32,866	36,408	36,408	36,408	20,453	14,419	24,161
Waste water management	21,480	8,974	30,172	36,011	43,112	43,112	43,112	46,280	42,336	45,991
Waste management	–	492	–	8,500	1,855	1,855	1,855	8,570	7,280	10,100
<i>Other</i>	–	–	–	–	–	–	–	–	–	–
Total Capital Expenditure - Standard	243,067	136,635	109,695	150,922	153,373	153,373	153,373	251,024	215,174	214,331

1.9 – Budget Schedules

The Municipal Budget and Reporting Regulations are designed to achieve a range of objectives, including improving the local government sphere's ability to deliver basic services by facilitating improved financial sustainability and better medium term planning and policy choices on service delivery.

Narrative will only be provided at certain tables, as it will be a repetition at the tables.

Table 17 - A1: Budget Summary

Description R thousands	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue &		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Financial Performance										
Property rates	105,813	120,210	129,006	145,368	149,228	149,228	149,228	164,146	170,598	180,618
Service charges	390,528	454,505	527,786	580,127	587,619	587,619	587,619	626,328	658,057	697,520
Investment revenue	14,673	14,773	14,715	12,455	13,087	13,087	13,087	13,872	14,704	15,586
Transfers recognised - operational	62,597	137,138	153,465	156,843	169,026	169,026	169,026	262,438	166,068	161,709
Other own revenue	31,626	40,753	45,794	55,143	46,667	46,667	46,667	52,033	54,061	55,557
Total Revenue (excluding capital transfers and contributions)	605,237	767,379	870,766	949,936	965,626	965,626	965,626	1,118,817	1,063,488	1,110,990
Employee costs	219,740	228,773	248,879	260,586	262,125	262,125	262,125	291,994	310,243	331,648
Remuneration of councillors	9,758	10,691	13,868	15,472	15,472	15,472	15,472	16,952	18,139	19,408
Depreciation & asset impairment	79,563	94,577	106,672	101,989	107,934	107,934	107,934	100,225	95,888	89,430
Finance charges	47,342	53,170	57,217	54,028	54,420	54,420	54,420	51,536	47,599	43,325
Materials and bulk purchases	152,172	193,245	244,437	280,057	282,042	282,042	282,042	302,087	326,236	352,316
Transfers and grants	5,508	5,124	1,188	2,011	1,446	1,446	1,446	2,318	2,331	2,343
Other expenditure	201,047	259,964	267,050	269,148	295,818	295,818	295,818	408,812	315,954	317,247
Total Expenditure	715,130	845,545	939,312	983,290	1,019,256	1,019,256	1,019,256	1,173,924	1,116,389	1,155,716
Surplus/(Deficit)	(109,893)	(78,166)	(68,545)	(33,354)	(53,630)	(53,630)	(53,630)	(55,108)	(52,901)	(44,726)
Transfers recognised - capital	95,910	72,168	50,064	86,438	109,634	109,634	109,634	157,542	103,484	96,271
Contributions recognised - capital & contributed	17,472	11,555	12,149	6,246	8,746	8,746	8,746	6,620	7,018	7,439
Surplus/(Deficit) after capital transfers & contributions	3,489	5,558	(6,332)	59,329	64,749	64,749	64,749	109,055	57,601	58,984
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	3,489	5,558	(6,332)	59,329	64,749	64,749	64,749	109,055	57,601	58,984
Capital expenditure & funds sources										
Capital expenditure	243,067	136,635	109,695	150,922	153,373	153,373	153,373	251,024	215,174	214,331
Transfers recognised - capital	95,910	72,168	50,035	91,446	105,575	105,575	105,575	130,051	71,342	74,887
Public contributions & donations	3,000	–	29	–	–	–	–	6,000	14,000	16,000
Borrowing	126,319	47,704	20,291	11,350	5,350	5,350	5,350	64,580	56,150	58,289
Internally generated funds	17,838	16,762	39,340	48,126	42,449	42,449	42,449	50,393	73,682	65,155
Total sources of capital funds	243,067	136,635	109,695	150,922	153,373	153,373	153,373	251,024	215,174	214,331
Financial position										
Total current assets	596,328	531,862	530,807	671,339	544,746	594,903	594,903	503,096	515,115	561,974
Total non current assets	1,965,480	2,007,876	2,103,941	2,068,442	2,125,424	2,125,424	2,125,424	2,351,469	2,466,225	2,595,044
Total current liabilities	169,656	190,873	211,985	174,534	174,034	174,049	174,049	180,022	190,359	194,255
Total non current liabilities	567,661	627,256	609,802	557,117	552,317	552,317	552,317	602,174	574,802	543,704
Community wealth/Equity	1,824,492	1,721,609	1,812,961	2,008,129	1,943,818	1,993,961	1,993,961	2,072,370	2,216,179	2,419,059
Cash flows										
Net cash from (used) operating	92,552	182,201	126,538	175,073	111,505	153,290	153,290	213,506	220,983	236,822
Net cash from (used) investing	(241,673)	(134,541)	(109,607)	(138,063)	(149,373)	(141,000)	(141,000)	(240,000)	(190,000)	(196,000)
Net cash from (used) financing	103,114	37,955	(30,526)	(19,925)	(25,225)	(25,225)	(25,225)	30,196	17,590	21,248
Cash/cash equivalents at the year end	146,881	232,497	218,901	282,401	155,808	205,966	205,966	209,667	258,240	320,310
Cash backing/surplus reconciliation										
Cash and investments available	146,881	232,497	218,901	282,401	155,808	205,966	205,966	209,667	258,240	320,310
Application of cash and investments	146,881	232,496	0	191,571	90,830	92,745	92,730	108,103	109,790	117,678
Balance - surplus (shortfall)	0	0	0	63,063	52,814	113,236	113,236	101,564	148,449	202,632
Asset management										
Asset register summary (WDV)	1,963,999	2,006,520	2,102,843	2,067,590	2,124,572	2,124,572	2,124,572	2,300,382	2,300,382	2,414,380
Depreciation & asset impairment	79,563	94,577	106,672	101,989	107,934	107,934	107,934	100,225	95,888	89,430
Renewal of Existing Assets	61,858	1,565	17,406	27,045	20,908	20,908	20,908	59,519	41,107	44,036
Repairs and Maintenance	52,446	55,364	52,814	64,618	65,436	70,758	70,758	70,758	74,341	78,168
Free services										
Cost of Free Basic Services provided	3,193	3,857	4,428	5,119	5,119	68,787	78,597	78,597	89,070	99,954
Revenue cost of free services provided	74,477	91,612	101,868	115,664	116,028	104,220	119,757	119,757	132,722	146,292
Households below minimum service level										
Water:	–	–	–	–	–	1	1	1	1	1
Sanitation/sewerage:	–	–	–	–	–	–	4	4	4	3
Energy:	6	9	9	9	9	9	10	10	11	11
Refuse:	5	3	3	4	4	4	5	5	5	5

Table 18 – A2: Budgeted Financial Performance by standard classification

Standard Classification Description R thousand	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue &		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Revenue - Standard									
<i>Governance and administration</i>	177,512	203,233	161,738	170,963	178,399	178,399	191,492	199,234	211,558
Executive and council	106	58	1,681	28	28	28	245	26	27
Budget and treasury office	163,440	195,303	150,207	166,986	171,631	171,631	187,395	196,105	208,790
Corporate services	13,966	7,873	9,850	3,950	6,740	6,740	3,852	3,103	2,742
<i>Community and public safety</i>	22,710	90,134	94,863	55,744	79,895	79,895	77,295	41,119	33,638
Community and social services	1,669	1,882	2,052	2,738	3,095	3,095	2,917	7,916	3,158
Sport and recreation	4,958	2,294	2,950	5,895	10,406	10,406	7,897	7,107	3,935
Public safety	3,549	12,528	18,257	19,691	20,557	20,557	23,387	23,790	24,104
Housing	12,528	73,351	71,531	26,476	44,778	44,778	42,424	1,628	1,729
Health	6	78	72	944	1,058	1,058	670	677	710
<i>Economic and environmental services</i>	30,271	22,844	22,025	74,760	71,129	71,129	245,604	141,527	124,687
Planning and development	5,802	5,656	4,782	3,158	3,654	3,654	4,046	4,080	4,327
Road transport	23,808	17,030	17,228	71,601	67,474	67,474	241,523	137,413	120,325
Environmental protection	661	158	14	1	1	1	34	35	35
<i>Trading services</i>	487,946	532,295	654,338	741,136	754,568	754,568	768,571	792,091	844,798
Electricity	276,355	323,596	387,424	431,605	437,026	437,026	466,767	491,785	524,824
Water	140,873	116,675	111,534	137,301	146,549	146,549	116,374	116,193	124,183
Waste water management	43,540	60,688	97,037	110,569	113,008	113,008	124,874	120,418	127,209
Waste management	27,177	31,335	58,344	61,661	57,985	57,985	60,556	63,695	68,583
<i>Other</i>	181	2,596	15	16	16	16	17	18	19
Total Revenue - Standard	718,619	851,103	932,980	1,042,619	1,084,006	1,084,006	1,282,979	1,173,990	1,214,700
Expenditure - Standard									
<i>Governance and administration</i>	150,430	126,967	96,196	129,799	132,965	132,965	148,093	152,976	161,004
Executive and council	44,682	44,434	14,193	31,674	31,679	31,679	38,306	37,902	40,091
Budget and treasury office	48,615	47,844	41,061	56,996	58,630	58,630	62,926	67,433	70,910
Corporate services	57,132	34,690	40,942	41,130	42,656	42,656	46,861	47,640	50,004
<i>Community and public safety</i>	100,619	159,529	184,025	130,055	154,281	154,281	157,511	120,131	122,271
Community and social services	17,397	16,456	16,276	18,952	18,977	18,977	20,089	20,925	21,803
Sport and recreation	16,445	17,264	19,649	19,451	20,227	20,227	20,114	20,446	18,169
Public safety	41,342	40,433	56,302	43,775	45,143	45,143	46,811	48,908	51,361
Housing	20,386	80,304	85,012	41,340	63,066	63,066	63,732	23,034	23,860
Health	5,050	5,073	6,785	6,537	6,869	6,869	6,764	6,818	7,079
<i>Economic and environmental services</i>	119,103	118,496	133,787	159,566	155,368	155,368	251,919	188,930	178,503
Planning and development	13,035	13,329	22,928	16,670	16,773	16,773	19,034	20,080	21,174
Road transport	97,778	98,286	102,856	139,171	134,835	134,835	228,657	164,383	152,628
Environmental protection	8,290	6,880	8,003	3,725	3,760	3,760	4,228	4,466	4,701
<i>Trading services</i>	341,493	435,757	523,100	561,664	574,340	574,340	613,522	651,688	691,125
Electricity	190,406	268,241	309,095	367,896	374,409	374,409	405,498	435,263	465,753
Water	69,535	77,538	92,389	90,136	89,297	89,297	92,719	95,722	99,677
Waste water management	49,518	54,246	75,231	59,975	66,573	66,573	68,460	73,820	76,327
Waste management	32,034	35,732	46,385	43,657	44,061	44,061	46,845	46,882	49,369
<i>Other</i>	3,486	4,795	2,205	2,206	2,302	2,302	2,879	2,665	2,812
Total Expenditure - Standard	715,130	845,545	939,312	983,290	1,019,256	1,019,256	1,173,924	1,116,389	1,155,716
Surplus/(Deficit) for the year	3,489	5,558	(6,332)	59,329	64,749	64,749	109,055	57,601	58,984

Table 19 – A3: Budgeted Financial Performance by municipal vote

Vote Description R thousand	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Budget Year		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	2013/14	+1 2014/15	+2 2015/16
Revenue by Vote									
Vote 1 - Office of the Municipal Manager	552	321	2,564	293	433	433	742	464	486
Vote 2 - Corporate Services	510	559	670	1,872	2,106	2,106	489	518	549
Vote 3 - Corporate Services	1,119	885	1,718	712	881	881	1,910	939	463
Vote 4 - Community Services	12,592	21,358	27,827	30,144	31,198	31,198	34,397	40,274	36,341
Vote 5 - Community Services	6,153	5,442	3,320	7,105	11,730	11,730	8,883	8,117	4,996
Vote 6 - Community Services	27,177	31,335	58,347	61,968	58,292	58,292	60,889	64,051	68,965
Vote 7 - Human Settlements, Land Affairs & Planning	24,403	80,644	78,251	29,495	50,710	50,710	46,191	5,614	5,946
Vote 8 - Civil Engineering Services	200,369	186,976	217,781	311,326	318,886	318,886	474,138	364,873	362,016
Vote 9 - Electrotechnical Services	276,624	323,855	387,486	431,605	437,026	437,026	466,767	491,785	524,824
Vote 10 - Financial Services	124,369	138,426	154,040	166,121	167,166	167,166	183,060	191,394	204,048
Vote 11 - Financial Services	44,751	61,301	976	1,977	5,577	5,577	5,514	5,962	6,067
Total Revenue by Vote	718,619	851,103	932,980	1,042,619	1,084,006	1,084,006	1,282,979	1,173,990	1,214,700
Expenditure by Vote to be appropriated									
Vote 1 - Office of the Municipal Manager	55,636	56,557	23,203	47,918	49,564	49,564	58,479	57,553	60,681
Vote 2 - Corporate Services	22,509	17,424	20,275	18,651	19,426	19,426	20,121	21,044	21,995
Vote 3 - Corporate Services	12,643	13,412	1,906	14,783	14,669	14,669	17,660	17,520	18,528
Vote 4 - Community Services	54,081	53,055	73,013	59,060	60,066	60,066	62,250	65,426	68,843
Vote 5 - Community Services	32,391	32,790	35,668	31,217	32,068	32,068	32,249	32,923	31,189
Vote 6 - Community Services	36,177	39,789	51,345	48,611	49,049	49,049	52,361	52,717	55,583
Vote 7 - Human Settlements, Land Affairs & Planning	54,212	91,805	118,294	56,473	76,566	76,566	78,711	38,212	39,745
Vote 8 - Civil Engineering Services	210,495	223,908	262,559	282,200	283,677	283,677	382,586	326,098	320,313
Vote 9 - Electrotechnical Services	189,444	271,192	310,452	371,851	378,466	378,466	409,819	439,762	470,444
Vote 10 - Financial Services	33,047	30,295	28,832	39,912	39,819	39,819	41,320	46,119	48,509
Vote 11 - Financial Services	14,495	15,318	13,764	12,614	15,886	15,886	18,368	19,015	19,887
Total Expenditure by Vote	715,130	845,545	939,312	983,290	1,019,256	1,019,256	1,173,924	1,116,389	1,155,716
Surplus/(Deficit) for the year	3,489	5,558	(6,332)	59,329	64,749	64,749	109,055	57,601	58,984

Table 20 – A4: Budgeted Financial Performance by revenue source and expenditure type

Description R thousand	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue &		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Revenue By Source										
Property rates	104,491	118,881	127,788	143,847	144,107	144,107	144,107	158,933	165,289	175,207
Property rates - penalties & collection charges	1,322	1,330	1,218	1,521	5,121	5,121	5,121	5,212	5,309	5,412
Service charges - electricity revenue	267,361	310,240	373,785	408,871	417,170	417,170	417,170	444,276	468,792	496,899
Service charges - water revenue	56,002	67,306	66,393	73,742	81,323	81,323	81,323	86,723	90,124	95,532
Service charges - sanitation revenue	40,852	46,462	52,176	58,230	52,467	52,467	52,467	56,220	58,428	61,933
Service charges - refuse revenue	26,305	30,484	35,101	38,932	36,307	36,307	36,307	38,736	40,318	42,737
Service charges - other	8	13	331	352	352	352	352	373	396	419
Rental of facilities and equipment	1,819	1,829	2,103	2,023	2,071	2,071	2,071	2,192	2,330	2,470
Interest earned - external investments	14,673	14,773	14,715	12,455	13,087	13,087	13,087	13,872	14,704	15,586
Interest earned - outstanding debtors	4,127	4,296	3,573	4,061	4,061	4,061	4,061	4,305	4,563	4,837
Dividends received	–	–	–	–	–	–	–	–	–	–
Fines	3,759	13,149	15,057	17,248	17,498	17,498	17,498	22,499	23,581	23,925
Licences and permits	2,762	2,106	2,451	2,315	2,315	2,315	2,315	2,454	2,601	2,758
Agency services	5,120	5,427	5,751	6,182	6,182	6,182	6,182	6,534	6,906	6,982
Transfers recognised - operational	62,597	137,138	153,465	156,843	169,026	169,026	169,026	262,438	166,068	161,709
Other revenue	13,943	13,945	16,859	23,315	14,540	14,540	14,540	14,049	14,079	14,585
Gains on disposal of PPE	95	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)	605,237	767,379	870,766	949,936	965,626	965,626	965,626	1,118,817	1,063,488	1,110,990
Expenditure By Type										
Employee related costs	219,740	228,773	248,879	260,586	262,125	262,125	262,125	291,994	310,243	331,648
Remuneration of councillors	9,758	10,691	13,868	15,472	15,472	15,472	15,472	16,952	18,139	19,408
Debt impairment	13,946	27,524	19,558	21,294	21,294	21,294	21,294	22,000	29,100	31,200
Depreciation & asset impairment	79,563	94,577	106,672	101,989	107,934	107,934	107,934	100,225	95,888	89,430
Finance charges	47,342	53,170	57,217	54,028	54,420	54,420	54,420	51,536	47,599	43,325
Bulk purchases	151,841	192,921	244,297	279,863	281,839	281,839	281,839	301,850	325,998	352,078
Other materials	331	324	140	194	203	203	203	238	238	238
Contracted services	34,039	94,627	100,248	100,374	117,598	117,598	117,598	210,362	103,600	94,783
Transfers and grants	5,508	5,124	1,188	2,011	1,446	1,446	1,446	2,318	2,331	2,343
Other expenditure	150,596	137,373	135,958	147,480	156,926	156,926	156,926	176,450	183,253	191,264
Loss on disposal of PPE	2,467	440	11,286	–	–	–	–	–	–	–
Total Expenditure	715,130	845,545	939,312	983,290	1,019,256	1,019,256	1,019,256	1,173,924	1,116,389	1,155,716
Surplus/(Deficit)	(109,893)	(78,166)	(68,545)	(33,354)	(53,630)	(53,630)	(53,630)	(55,108)	(52,901)	(44,726)
Transfers recognised - capital	95,910	72,168	50,064	86,438	109,634	109,634	109,634	157,542	103,484	96,271
Contributions recognised - capital	17,472	11,555	12,149	6,246	8,746	8,746	8,746	6,620	7,018	7,439
Contributed assets	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	3,489	5,558	(6,332)	59,329	64,749	64,749	64,749	109,055	57,601	58,984

Revenue generated from property rates and service charges forms a significant percentage of the revenue source of the municipality.

Table 21 – A5: Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description R thousand	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Budget Year		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	2013/14	+1 2014/15	+2 2015/16
Capital expenditure - Vote										
Multi-year expenditure to be appropriated										
Vote 1 - Office of the Municipal Manager	–	–	–	–	–	–	–	–	–	–
Vote 2 - Corporate Services	3	456	1,212	–	–	–	–	–	–	–
Vote 3 - Corporate Services	–	–	–	–	–	–	–	–	–	–
Vote 4 - Community Services	–	–	–	–	–	–	–	–	–	–
Vote 5 - Community Services	936	–	–	2,800	3,220	3,220	3,220	1,600	–	–
Vote 6 - Community Services	–	–	–	1,300	–	–	–	–	1,000	8,000
Vote 7 - Human Settlements, Land Affairs & Planning	677	873	–	4,000	25	25	25	6,000	11,500	16,500
Vote 8 - Civil Engineering Services	109,848	33,715	13,046	84,667	87,648	87,648	87,648	133,709	109,520	129,620
Vote 9 - Electrotechnical Services	24,939	21,577	–	17,869	17,143	17,143	17,143	8,563	16,786	11,456
Vote 10 - Financial Services	–	–	–	–	–	–	–	–	–	–
Vote 11 - Financial Services	–	–	–	–	–	–	–	–	–	–
Capital multi-year expenditure sub-total	136,402	56,621	14,259	110,635	108,036	108,036	108,036	149,872	138,806	165,576
Single-year expenditure to be appropriated										
Vote 1 - Office of the Municipal Manager	332	–	84	30	247	247	247	2,600	565	–
Vote 2 - Corporate Services	–	56	573	356	354	354	354	585	290	–
Vote 3 - Corporate Services	484	155	–	460	495	495	495	620	560	–
Vote 4 - Community Services	1,252	287	3,337	5,254	5,835	5,835	5,835	5,880	6,500	–
Vote 5 - Community Services	11,915	1,065	1,519	8	4,275	4,275	4,275	7,570	5,813	3,000
Vote 6 - Community Services	–	492	–	7,200	1,855	1,855	1,855	8,570	6,280	2,100
Vote 7 - Human Settlements, Land Affairs & Planning	1,370	5,662	1,375	743	969	969	969	2,748	5,200	500
Vote 8 - Civil Engineering Services	67,627	38,149	52,734	18,700	24,109	24,109	24,109	57,739	36,418	27,500
Vote 9 - Electrotechnical Services	23,685	33,428	35,613	7,306	7,043	7,043	7,043	14,060	14,462	15,375
Vote 10 - Financial Services	–	720	200	230	155	155	155	780	280	280
Vote 11 - Financial Services	–	–	–	–	–	–	–	–	–	–
Capital single-year expenditure sub-total	106,665	80,014	95,437	40,287	45,337	45,337	45,337	101,152	76,368	48,755
Total Capital Expenditure - Vote	243,067	136,635	109,695	150,922	153,373	153,373	153,373	251,024	215,174	214,331
Capital Expenditure - Standard										
Governance and administration										
Executive and council	531	876	284	920	1,561	1,561	1,561	8,325	4,335	1,890
Budget and treasury office	–	–	84	30	247	247	247	2,600	565	–
Corporate services	–	720	200	230	155	155	155	780	280	280
Corporate services	531	155	–	660	1,159	1,159	1,159	4,945	3,490	1,610
Community and public safety	16,834	8,671	8,416	14,221	14,900	14,900	14,900	24,803	30,983	22,000
Community and social services	519	2,423	2,025	1,319	546	546	546	1,325	5,860	500
Sport and recreation	12,842	1,019	1,512	2,808	7,386	7,386	7,386	8,570	5,423	3,000
Public safety	1,942	512	3,739	6,009	5,915	5,915	5,915	7,165	3,500	2,000
Housing	1,530	4,716	1,141	4,085	993	993	993	7,743	16,200	16,500
Health	–	–	–	–	60	60	60	–	–	–
Economic and environmental services	33,652	14,123	13,722	33,229	31,752	31,752	31,752	124,030	87,483	84,968
Planning and development	332	–	–	–	–	–	–	–	–	–
Road transport	33,311	14,077	13,715	33,229	31,752	31,752	31,752	123,430	87,183	84,968
Environmental protection	8	46	7	–	–	–	–	600	300	–
Trading services	192,050	112,965	87,273	102,552	105,160	105,160	105,160	93,866	92,373	105,473
Electricity	48,576	55,005	35,613	25,175	23,786	23,786	23,786	18,563	28,338	25,221
Water	121,994	48,494	21,487	32,866	36,408	36,408	36,408	20,453	14,419	24,161
Waste water management	21,480	8,974	30,172	36,011	43,112	43,112	43,112	46,280	42,336	45,991
Waste management	–	492	–	8,500	1,855	1,855	1,855	8,570	7,280	10,100
Other	–	–	–	–	–	–	–	–	–	–
Total Capital Expenditure - Standard	243,067	136,635	109,695	150,922	153,373	153,373	153,373	251,024	215,174	214,331
Funded by:										
National Government	92,318	60,775	38,703	56,992	44,011	44,011	44,011	94,446	32,034	31,582
Provincial Government	3,592	10,851	11,332	34,454	57,563	57,563	57,563	32,406	39,308	43,305
District Municipality	–	–	–	–	–	–	–	–	–	–
Other transfers and grants	0	542	(0)	–	4,000	4,000	4,000	3,200	–	–
Transfers recognised - capital	95,910	72,168	50,035	91,446	105,575	105,575	105,575	130,051	71,342	74,887
Public contributions & donations	3,000	–	29	–	–	–	–	6,000	14,000	16,000
Borrowing	126,319	47,704	20,291	11,350	5,350	5,350	5,350	64,580	56,150	58,289
Internally generated funds	17,838	16,762	39,340	48,126	42,449	42,449	42,449	50,393	73,682	65,155
Total Capital Funding	243,067	136,635	109,695	150,922	153,373	153,373	153,373	251,024	215,174	214,331

Grant funding constitutes 52% of the capital budget. This is mainly due to the GIPTN project.

The following table gives a breakdown of the assets that will be acquired over the MTREF through the taking up of external funding:

	2013/2014 R'000	2014/2015 R'000	2015/2016 R'000
Collaborator Server	250	0	0
Bakkie - Land Management	350	0	0
Fire Fighting Vehicle	1,500	0	0
Bakkie - Fire Services	500	0	0
Vehicles - Traffic	1,300	0	0
Refuse Trucks	2,500	1,300	1,500
TLB - Refuse	1,300	2,000	0
Vehicles - Refuse	4,300	0	0
Vehicles - Street & Stormwater	1,500	0	0
Bakkie - Water Purification	200	0	0
Water Tank - Water Distribution	1,350	0	0
Bakkie - Sewerage Network	200	0	0
Crane Truck & Cherry Picker	2,020	1,900	1,100
Vehicles - Financial Services	700	0	0
Busses - Public Transport Network	46,610	50,950	55,689
Total	64,580	56,150	58,289

Table 22 – A6: Budgeted Financial Position

Description R thousand	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue &		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
ASSETS									
Current assets									
Cash	146,881	232,497	218,901	282,401	155,808	205,966	209,667	258,240	320,310
Call investment deposits	–	–	–	–	–	–	–	–	–
Consumer debtors	70,730	78,250	87,298	65,384	65,384	65,384	93,414	91,405	84,195
Other debtors	67,899	37,206	39,105	32,540	32,540	32,540	34,493	35,527	37,304
Current portion of long-term receivables	802	316	333	226	226	226	353	374	396
Inventory	310,015	183,593	185,170	290,787	290,787	290,787	165,170	129,570	119,770
Total current assets	596,328	531,862	530,807	671,339	544,746	594,903	503,096	515,115	561,974
Non current assets									
Long-term receivables	1,481	1,357	1,098	852	852	852	877	895	859
Investments	–	–	–	–	–	–	–	–	–
Investment property	85,475	137,320	149,918	137,315	137,315	137,315	149,909	149,904	149,899
Investment in Associate	–	–	–	–	–	–	–	–	–
Property, plant and equipment	1,876,605	1,867,101	1,951,123	1,928,346	1,985,328	1,985,328	2,189,915	2,306,131	2,436,761
Agricultural	–	–	–	–	–	–	–	–	–
Biological	–	–	–	–	–	–	–	–	–
Intangible	1,920	2,099	1,802	1,929	1,929	1,929	10,769	9,296	7,525
Other non-current assets	–	–	–	–	–	–	–	–	–
Total non current assets	1,965,480	2,007,876	2,103,941	2,068,442	2,125,424	2,125,424	2,351,469	2,466,225	2,595,044
TOTAL ASSETS	2,561,808	2,539,738	2,634,748	2,739,780	2,670,170	2,720,327	2,854,565	2,981,341	3,157,018
LIABILITIES									
Current liabilities									
Bank overdraft	–	–	–	–	–	–	–	–	–
Borrowing	26,064	30,533	33,843	35,932	35,432	35,432	36,366	40,145	38,848
Consumer deposits	13,412	14,897	15,933	16,828	16,828	16,828	17,838	18,373	18,741
Trade and other payables	103,284	123,399	134,358	85,247	85,247	85,247	103,772	111,490	114,891
Provisions	26,896	22,044	27,850	36,527	36,527	36,542	22,045	20,351	21,776
Total current liabilities	169,656	190,873	211,985	174,534	174,034	174,049	180,022	190,359	194,255
Non current liabilities									
Borrowing	487,384	520,870	487,034	462,681	457,881	457,881	486,095	451,150	414,902
Provisions	80,276	106,386	122,769	94,436	94,436	94,436	116,079	123,653	128,802
Total non current liabilities	567,661	627,256	609,802	557,117	552,317	552,317	602,174	574,802	543,704
TOTAL LIABILITIES	737,316	818,129	821,787	731,651	726,351	726,366	782,196	765,161	737,959
NET ASSETS	1,824,492	1,721,609	1,812,961	2,008,129	1,943,818	1,993,961	2,072,370	2,216,179	2,419,059
COMMUNITY WEALTH/EQUITY									
Accumulated Surplus/(Deficit)	1,754,409	1,650,898	1,738,950	1,933,883	1,869,572	1,919,730	1,998,354	2,142,396	2,345,528
Reserves	70,083	70,711	74,011	74,246	74,246	74,231	74,016	73,783	73,531
Minorities' interests	–	–	–	–	–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	1,824,492	1,721,609	1,812,961	2,008,129	1,943,818	1,993,961	2,072,370	2,216,179	2,419,059

Table 23 – A7: Budgeted Cash Flow

Description R thousand	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue &		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Ratepayers and other	576,875	646,715	673,920	801,554	789,323	789,323	874,455	916,390	969,388
Government - operating	66,202	98,922	164,294	135,322	139,268	139,268	190,960	157,280	156,671
Government - capital	42,790	167,731	56,490	81,444	113,444	113,444	181,455	107,273	105,235
Interest	18,800	19,069	18,288	16,760	17,148	17,148	18,435	19,541	20,714
Dividends	–	–	–	–	–	–	–	–	–
Payments									
Suppliers and employees	(559,264)	(693,354)	(728,049)	(803,968)	(891,784)	(850,000)	(997,945)	(929,572)	(969,519)
Finance charges	(47,342)	(51,759)	(57,217)	(54,028)	(54,420)	(54,420)	(51,536)	(47,599)	(43,325)
Transfers and Grants	(5,508)	(5,124)	(1,188)	(2,011)	(1,473)	(1,473)	(2,318)	(2,331)	(2,343)
NET CASH FROM/(USED) OPERATING ACTIVITIES	92,552	182,201	126,538	175,073	111,505	153,290	213,506	220,983	236,822
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	176	965	149	7,859	4,000	4,000	5,000	15,000	10,000
Decrease (Increase) in non-current debtors	–	–	–	–	–	–	–	–	–
Decrease (increase) other non-current receivables	1,753	1,750	242	5,000	–	–	5,000	5,000	5,000
Decrease (increase) in non-current investments	–	–	–	–	–	–	–	–	–
Payments									
Capital assets	(243,602)	(137,256)	(109,998)	(150,922)	(153,373)	(145,000)	(250,000)	(210,000)	(211,000)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(241,673)	(134,541)	(109,607)	(138,063)	(149,373)	(141,000)	(240,000)	(190,000)	(196,000)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing	125,200	65,000	–	10,650	5,350	5,350	64,580	56,150	58,289
Increase (decrease) in consumer deposits	–	–	–	1,982	1,982	1,982	1,982	1,585	1,807
Payments									
Repayment of borrowing	(22,086)	(27,045)	(30,526)	(32,557)	(32,557)	(32,557)	(36,366)	(40,145)	(38,848)
NET CASH FROM/(USED) FINANCING ACTIVITIES	103,114	37,955	(30,526)	(19,925)	(25,225)	(25,225)	30,196	17,590	21,248
NET INCREASE/ (DECREASE) IN CASH HELD									
Cash/cash equivalents at the year begin:	192,888	146,881	232,497	265,316	218,901	218,901	205,966	209,667	258,240
Cash/cash equivalents at the year end:	146,881	232,497	218,901	282,401	155,808	205,966	209,667	258,240	320,310

Table 24 – A8: Cash backed reserves/accumulated surplus reconciliation

Description R thousand	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue &		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
<u>Cash and investments available</u>									
Cash/cash equivalents at the year end	146,881	232,497	218,901	282,401	155,808	205,966	209,667	258,240	320,310
Other current investments > 90 days	–	–	–	0	–	–	–	–	–
Non current assets - Investments	–	–	–	–	–	–	–	–	–
Cash and investments available:	146,881	232,497	218,901	282,401	155,808	205,966	209,667	258,240	320,310
<u>Application of cash and investments</u>									
Unspent conditional transfers	13,412	30,178	41,994	22,000	22,000	22,000	13,957	27,828	27,635
Unspent borrowing	2,996	20,291	–	–	–	–	–	–	–
Statutory requirements	–	–	–	–	–	–	–	–	–
Other working capital requirements	(69,306)	(29,523)	(29,936)	(38,176)	(36,261)	(36,261)	(43,853)	(49,042)	(39,778)
Other provisions	–	–	–	–	–	–	–	–	–
Long term investments committed	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments	199,780	211,549	206,842	107,006	107,006	106,991	137,999	131,004	129,822
Total Application of cash and investments:	146,881	232,496	218,901	90,830	92,745	92,730	108,103	109,790	117,678
Surplus(shortfall)	0	0	0	191,571	63,063	113,236	101,564	148,449	202,632

Table 25 – A9: Asset Management

Description R thousand	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue &		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
<u>CAPITAL EXPENDITURE</u>									
Total New Assets	181,209	135,070	92,289	123,877	132,465	132,465	191,505	174,068	170,295
Infrastructure - Road transport	19,870	12,749	6,585	15,448	16,621	16,621	40,625	22,463	18,279
Infrastructure - Electricity	51,598	35,461	32,441	21,829	19,981	19,981	15,756	25,440	21,806
Infrastructure - Water	82,750	40,222	16,928	27,824	33,536	33,536	14,818	9,601	18,611
Infrastructure - Sanitation	18,672	13,021	23,571	28,961	36,933	36,933	33,731	29,129	22,365
Infrastructure - Other	(0)	(0)	2,397	9,500	6,850	6,850	–	–	–
Infrastructure	172,890	101,452	81,922	103,562	113,921	113,921	104,930	86,634	81,061
Community	6,997	28,295	5,911	2,000	6,049	6,049	54,795	65,030	69,189
Heritage assets	–	–	–	–	–	–	–	–	–
Investment properties	–	–	–	–	40	40	–	8,500	6,000
Other assets	1,322	4,501	4,262	18,293	12,455	12,455	20,900	13,594	14,015
Agricultural Assets	–	–	–	–	–	–	–	–	–
Biological assets	–	–	–	–	–	–	–	–	–
Intangibles	–	822	193	22	–	–	10,880	310	30
Total Renewal of Existing Assets	61,858	1,565	17,406	27,045	20,908	20,908	59,519	41,107	44,036
Infrastructure - Road transport	13,649	–	5,136	7,000	7,000	7,000	21,320	14,000	11,000
Infrastructure - Electricity	5,171	208	2,119	5,500	4,123	4,123	4,650	5,300	5,000
Infrastructure - Water	31,663	1,331	1,265	4,500	3,737	3,737	4,500	4,500	5,500
Infrastructure - Sanitation	2,114	–	8,590	2,000	2,769	2,769	6,809	7,907	19,126
Infrastructure - Other	0	–	0	–	–	–	300	–	–
Infrastructure	52,597	1,539	17,110	19,000	17,628	17,628	37,579	31,707	40,626
Community	9,022	17	190	6,375	3,130	3,130	10,300	7,850	1,310
Heritage assets	–	–	–	–	–	–	250	–	–
Investment properties	–	–	–	–	–	–	–	–	–
Other assets	239	9	107	1,670	150	150	11,390	1,550	2,100
Agricultural Assets	–	–	–	–	–	–	–	–	–
Biological assets	–	–	–	–	–	–	–	–	–
Intangibles	–	–	–	–	–	–	–	–	–
Total Capital Expenditure	33,519	12,749	11,721	22,448	23,621	23,621	61,945	36,463	29,279
Infrastructure - Road transport	56,770	35,668	34,560	27,329	24,104	24,104	20,406	30,740	26,806
Infrastructure - Electricity	114,412	41,553	18,193	32,324	37,273	37,273	19,318	14,101	24,111
Infrastructure - Water	20,786	13,021	32,161	30,961	39,702	39,702	40,540	37,036	41,491
Infrastructure - Sanitation	(0)	(0)	2,397	9,500	6,850	6,850	300	–	–
Infrastructure - Other	225,487	102,991	99,032	122,562	131,549	131,549	142,509	118,340	121,687
Community	16,019	28,312	6,101	8,375	9,179	9,179	65,095	72,880	70,499
Heritage assets	–	–	–	–	–	–	250	–	–
Investment properties	–	–	–	–	40	40	–	8,500	6,000
Other assets	1,562	4,510	4,369	19,963	12,605	12,605	32,290	15,144	16,115
Agricultural Assets	–	–	–	–	–	–	–	–	–
Biological assets	–	–	–	–	–	–	–	–	–
Intangibles	–	822	193	22	–	–	10,880	310	30
TOTAL CAPITAL EXPENDITURE - Asset clas	243,067	136,635	109,695	150,922	153,373	153,373	251,024	215,174	214,331

Description R thousand	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Budget Year		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	2013/14	+1 2014/15	+2 2015/16
ASSET REGISTER SUMMARY - PPE (WDV)									
Infrastructure - Road transport	328,066	316,984	338,618	239,989	220,203	220,203	257,681	254,737	253,578
Infrastructure - Electricity	160,331	187,301	258,541	234,694	241,800	241,800	250,113	268,262	282,705
Infrastructure - Water	262,499	321,464	349,951	327,415	341,647	341,647	330,739	326,643	331,320
Infrastructure - Sanitation	160,603	141,098	189,840	255,841	281,462	281,462	312,406	339,145	368,991
Infrastructure - Other	30,541	36,421	36,893	38,736	45,274	45,274	44,751	44,008	43,356
Infrastructure	942,039	1,003,268	1,173,843	1,096,676	1,130,386	1,130,386	1,195,690	1,232,795	1,279,950
Community	118,642	124,182	133,688	180,985	195,708	195,708	263,943	334,708	400,309
Heritage assets	607	607	607	607	607	607	607	607	607
Investment properties	85,475	137,320	149,918	137,315	137,315	137,315	149,909	149,904	149,899
Other assets	815,316	739,043	642,984	650,078	658,627	658,627	679,464	687,071	700,206
Agricultural Assets	–	–	–	–	–	–	–	–	–
Biological assets	–	–	–	–	–	–	–	–	–
Intangibles	1,920	2,099	1,802	1,929	1,929	1,929	10,769	9,296	7,525
TOTAL ASSET REGISTER SUMMARY - PPE	1,963,999	2,006,520	2,102,843	2,067,590	2,124,572	2,124,572	2,300,382	2,414,380	2,538,496
EXPENDITURE OTHER ITEMS									
Depreciation & asset impairment	79,563	94,577	106,672	101,989	107,934	107,934	100,225	95,888	89,430
Repairs and Maintenance by Asset Class	52,446	55,364	52,814	64,618	65,436	65,436	70,758	74,341	78,168
Infrastructure - Road transport	18,864	19,301	16,945	19,301	18,924	18,924	19,227	20,247	21,318
Infrastructure - Electricity	7,182	6,688	4,977	8,070	6,204	6,204	7,882	8,324	8,771
Infrastructure - Water	6,307	3,506	3,667	6,849	5,604	5,604	5,770	6,070	6,385
Infrastructure - Sanitation	6,657	9,648	10,842	9,660	13,437	13,437	13,885	14,579	15,308
Infrastructure - Other	–	1	7	11	11	11	10	11	12
Infrastructure	39,010	39,145	36,438	43,890	44,179	44,179	46,774	49,231	51,794
Community	1,965	3,449	2,605	3,302	3,803	3,803	4,126	4,321	4,525
Heritage assets	–	–	–	–	–	–	–	–	–
Investment properties	–	–	–	–	–	–	–	–	–
Other assets	11,472	12,770	13,771	17,425	17,454	17,454	19,858	20,789	21,849
TOTAL EXPENDITURE OTHER ITEMS	132,008	149,941	159,486	166,606	173,370	173,370	170,984	170,229	167,598
<i>Renewal of Existing Assets as % of total capital</i>	25.4%	1.1%	15.9%	17.9%	13.6%	13.6%	23.7%	19.1%	20.5%
<i>Renewal of Existing Assets as % of depreciation</i>	77.7%	1.7%	16.3%	26.5%	19.4%	19.4%	59.4%	42.9%	49.2%
<i>R&M as a % of PPE</i>	2.8%	3.0%	2.7%	3.4%	3.3%	3.3%	3.2%	3.2%	3.2%
<i>Renewal and R&M as a % of PPE</i>	6.0%	3.0%	3.0%	4.0%	4.0%	4.0%	6.0%	5.0%	5.0%

Table 26 – A10: Basic Service delivery measurement

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue &		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Household service targets	1									
Water:										
Piped water inside dwelling		39,941	39,880	40,580	42,736	42,736	42,736	48,693	44,463	45,353
Piped water inside yard (but not in dwelling)		–	–	–	–	–	–	–	–	–
Using public tap (at least min.service level)	2	2,535	4,964	4,964	5,063	5,063	5,063	3,557	5,267	5,372
Other water supply (at least min.service level)	4	215	–	–	–	–	–	–	–	–
<i>Minimum Service Level and Above sub-total</i>		42,691	44,844	45,544	47,799	47,799	47,799	52,250	49,730	50,725
Using public tap (< min.service level)	3	–	–	–	–	–	–	–	–	–
Other water supply (< min.service level)	4	–	–	–	–	–	–	–	–	–
No water supply		–	–	–	–	–	1,237	1,175	1,116	1,060
<i>Below Minimum Service Level sub-total</i>		–	–	–	–	–	1,237	1,175	1,116	1,060
Total number of households	5	42,691	44,844	45,544	47,799	47,799	49,036	53,425	50,846	51,785
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		39,770	39,802	39,960	41,865	41,865	41,865	47,441	47,446	49,818
Flush toilet (with septic tank)		–	–	–	–	–	–	–	–	–
Chemical toilet		2,601	4,722	5,584	5,934	5,934	5,934	1,855	1,762	1,674
Pit toilet (ventilated)		34	34	24	24	24	24	–	–	–
Other toilet provisions (> min.service level)		268	286	–	–	–	–	–	–	–
<i>Minimum Service Level and Above sub-total</i>		42,673	44,844	45,568	47,823	47,823	47,823	49,296	49,208	51,492
Bucket toilet		–	–	–	–	–	–	1,097	1,042	990
Other toilet provisions (< min.service level)		–	–	–	–	–	–	–	–	–
No toilet provisions		–	–	–	–	–	–	2,594	2,464	2,341
<i>Below Minimum Service Level sub-total</i>		–	–	–	–	–	–	3,691	3,506	3,331
Total number of households	5	42,673	44,844	45,568	47,823	47,823	47,823	52,987	52,714	54,823
Energy:										
Electricity (at least min.service level)		2,350	1,652	1,630	1,600	1,600	1,600	1,570	1,420	1,350
Electricity - prepaid (min.service level)		34,460	34,728	35,242	36,757	36,757	36,757	37,152	37,496	38,245
<i>Minimum Service Level and Above sub-total</i>		36,810	36,380	36,872	38,357	38,357	38,357	38,722	38,916	39,595
Electricity (< min.service level)		6,000	9,000	8,672	9,442	9,442	9,442	10,061	10,734	10,948
Electricity - prepaid (< min. service level)		–	–	–	–	–	–	–	–	–
Other energy sources		–	–	–	–	–	–	–	–	–
<i>Below Minimum Service Level sub-total</i>		6,000	9,000	8,672	9,442	9,442	9,442	10,061	10,734	10,948
Total number of households	5	42,810	45,380	45,544	47,799	47,799	47,799	48,783	49,650	50,543
Refuse:										
Removed at least once a week		38,000	42,000	43,500	43,800	43,800	43,800	47,506	49,881	52,000
<i>Minimum Service Level and Above sub-total</i>		38,000	42,000	43,500	43,800	43,800	43,800	47,506	49,881	52,000
Removed less frequently than once a week		–	–	–	–	–	–	–	–	–
Using communal refuse dump		–	–	–	–	–	–	3,780	3,969	4,167
Using own refuse dump		–	–	–	–	–	–	–	–	–
Other rubbish disposal		–	–	–	–	–	–	–	–	–
No rubbish disposal		5,000	3,000	2,544	3,999	3,999	3,999	1,396	1,226	1,259
<i>Below Minimum Service Level sub-total</i>		5,000	3,000	2,544	3,999	3,999	3,999	5,176	5,195	5,426
Total number of households	5	43,000	45,000	46,044	47,799	47,799	47,799	52,682	55,076	57,426

Continue on next page...

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue &		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)		39,367	32,593	33,447	35,453	35,453	33,129	34,785	36,524	38,351
Sanitation (free minimum level service)		12,100	13,873	14,517	15,521	15,521	15,521	15,321	16,087	16,891
Electricity/other energy (50kwh per household per month)		12,100	13,873	14,517	15,521	15,521	11,380	11,979	12,578	13,207
Refuse (removed at least once a week)		12,100	13,873	14,517	15,521	15,521	15,521	15,321	16,087	16,891
Cost of Free Basic Services provided (R'000)	8									
Water (6 kilolitres per household per month)		1,058	943	1,063	1,240	1,240	21,038	25,772	29,216	33,135
Sanitation (free sanitation service)		1,022	1,447	1,634	1,749	1,749	24,348	25,840	29,303	32,229
Electricity/other energy (50kwh per household per month)		290	382	438	746	746	4,130	6,531	7,359	8,291
Refuse (removed once a week)		823	1,086	1,293	1,384	1,384	19,270	20,454	23,192	26,299
Total cost of FBS provided (minimum social package)		3,193	3,857	4,428	5,119	5,119	68,787	78,597	89,070	99,954
Highest level of free service provided										
Property rates (R value threshold)										
Water (kilolitres per household per month)		6	6	6	6	6	6	6	6	6
Sanitation (kilolitres per household per month)		–	–	–	–	–	–	–	–	–
Sanitation (Rand per household per month)		68	78	90	90	90	130	141	152	164
Electricity (kwh per household per month)		50	70	70	50	50	50	70	70	70
Refuse (average litres per week)		240	240	240	240	240	240	240	240	240
Revenue cost of free services provided (R'000)	9									
Property rates (R15 000 threshold rebate)					–	–	–			
Property rates (other exemptions, reductions and rebates)		25,048	27,883	29,556	37,175	37,175	22,732	25,772	29,216	33,135
Water		18,480	17,131	20,036	22,151	22,515	22,515	29,168	31,501	34,022
Sanitation		12,267	17,362	19,611	20,991	20,991	24,348	25,840	29,303	32,229
Electricity/other energy		3,477	6,417	7,361	8,948	8,948	5,563	8,731	9,717	10,815
Refuse		9,880	13,027	15,512	16,607	16,607	19,270	20,454	23,192	26,299
Municipal Housing - rental rebates		5,325	9,792	9,792	9,792	9,792	9,792	9,792	9,792	9,792
Housing - top structure subsidies										
Other										
Total revenue cost of free services provided (total social package)		74,477	91,612	101,868	115,664	116,028	104,220	119,757	132,722	146,292

References

1. Include services provided by another entity; e.g. Eskom
2. Stand distance <= 200m from dwelling
3. Stand distance > 200m from dwelling
4. Borehole, spring, rain-water tank etc.
5. Must agree to total number of households in municipal area
6. Include value of subsidy provided by municipality above provincial subsidy level
7. Show number of households receiving at least these levels of services completely free
8. Must reflect the cost to the municipality of providing the Free Basic Service
9. Reflect the cost to the municipality in terms of 'revenue foregone' of providing free services (note this will not equal 'Revenue Foregone' on SA1)

Part 2 – Supporting documentation

2.1 - Disclosure on implementation of the MFMA & other applicable legislation

Municipal Finance Management Act – No 56 of 2003

The MFMA became effective on 1st July 2004. The Act aims to modernise budget and financial management practices within the overall objective of maximising the capacity of municipalities to deliver services.

The MFMA covers all aspects of municipal finance including budgeting, supply chain management and financial reporting.

The various sections of the Act are phased in according to the designated financial management capacity of municipalities. George has been designated as a high capacity municipality. The MFMA is the foundation of the municipal financial management reforms which municipalities are implementing.

The MFMA and the budget

The following explains the budgeting process in terms of the requirements in the MFMA. It is based on National Treasury's guide to the MFMA.

2.2 – The budget preparation process

2.2.1 – Overview

A central element of the reforms is a change to the way that municipalities prepare their budgets.

The MFMA requires a council to adopt three-year capital and operating budgets that take into account, and are linked to, the municipality's current and future development priorities (as contained in the IDP) and other finance-related policies (such as those relating to free basic service provision).

These budgets must clearly set out revenue by source and expenditure by vote over three years and must be accompanied by performance objectives for revenue and expenditure, a cash flow statement and particulars on borrowing, investments, municipal entities and service delivery agreements, grant allocations and details of employment costs.

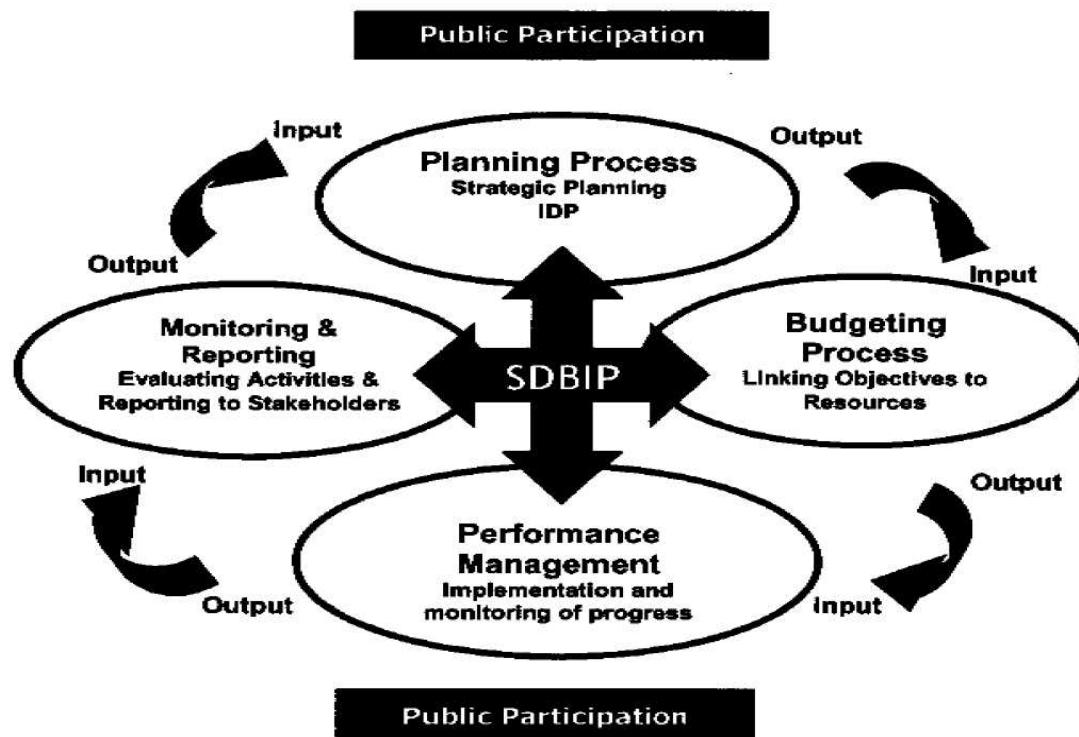
The budget may be funded only from reasonable estimates of revenue and cash-backed surplus funds from the previous year and borrowings (the latter for capital items only).

2.2.2 – Budget preparation timetable

The first step in the budget preparation process is to develop a timetable of all key deadlines relating to the budget and to review the municipality's IDP and budget-related policies.

The budget preparation timetable should be prepared by senior management and tabled by the mayor for council adoption ten months before the commencement of the next budget year.

The next diagram depicts the planning, implementation and monitoring process that is followed in George Municipality.



In terms of Section 21 of the MFMA the Mayor is required to table in Council ten months before the start of the new financial year a time schedule of key deadlines that sets out the process to revise the IDP and prepare the budget.

:

Table 27 – Schedule of Key Deadlines relating to the budget process

DELIVERABLE AND PROCESS MANAGEMENT	RESPONSIBILITY	OUTPUT	DATE
PREPARATION PHASE			
Development of IDP & Budget Process Plan	IDP & Budget Office	Approved IDP and Budget Process Plan	July- August 2012
Advert for the revival of the IDP and Budget Representative Forum and the IDP and budget process (2013/2014)	IDP Office		August/September 2012
COUNCIL MEETING: Adoption of the IDP and Budget Process Plan	Council		August 2012
Provincial IDP Indaba 1	IDP Office, MM & All Directors		August 2012
District IDP Managers' Forum :WorkingSession on uniform guidelines for IDP Review	IDP Office		August 2012
Reconstitute the 2013/2014 IDP & Budget Steering Committee	Executive Mayor		September 2012
Submit Process Plan to the MEC for Local Government	IDP Office		September 2012
Produce and outline Budget Strategy document with high level estimates	Budget Office		September 2012
First Meeting of the IDP & Budget Steering Committee	Budget Office		October 2012
ANALYSIS PHASE			
Present the Process Plan to Stakeholders & Focus Group Discussions	IDP Office& Executive Mayor /Service Provider	Determine and assess the current level of development and the emerging challenges, opportunities and priority issues	September/October 2012
Review and document information submitted by Directorates	IDP Office		October 2012
First draft situational analysis ready	IDP Office		October 2012

DELIVERABLE AND PROCESS MANAGEMENT	RESPONSIBILITY	OUTPUT	DATE
District Stakeholder Engagement	IDP Office		October 2012
Budget Related Policies Reviewed	Budget Office		October 2012-April 2013
Budget Instructions issued to Directorates	Budget Office		September/ October 2012
Initial Drafting of operating and capital budget by departments	Budget Office		October 2012
STRATEGY PHASE			
IDP and Budget Steering Committee: Directors present priority issues	IDP& Budget Steering Committee	Develop objectives for priority issues and determine programmes to achieve strategic intent including the development of the Strategic Scorecard	November 2012
Present first draft situational analysis to the IDP & Budget Steering Committee and request inputs for the new Municipal Vision, Mission, Strategies & Objectives	IDP Office		November 2012
MAYCO MEETING: MAYCO to confirm & recommend approval of Situational Analysis, Municipal Vision, Mission, Strategies & Objectives	IDP Office / Executive Mayor		November 2012
Provincial IDP Indaba 2	IDP Office		February 2013
Review tariffs and budget policies	CFO		February 2013
District IDP Managers' Forum: Working Session dealing with inputs on draft IDP reviews	IDP Office		February 2013
PROJECT PHASE			

DELIVERABLE AND PROCESS MANAGEMENT	RESPONSIBILITY	OUTPUT	DATE
Set and agree on IDP priority programme/projects	Executive Mayor/MM & CFO	Identify projects and set output, targets	November /December 2012
Drafting of operating and capital budget by departments continue	Budget Office & Directorates		December 2012
Draft Operational and Capital Budget considered by Budget Committee	Budget Office		February 2013
Directorates develop draft 2013/14 SDBIP and present to Portfolio Committees	IDP/Budget Office		March 2013
Multi -year scorecard presented to MAYCO	MM		March 2013
INTEGRATION PHASE			
Directorates identifying programmes and projects with external stakeholders	ALL	Incorporate programmes and projects into IDP	February/March 2013
Integration of sector plans and institutional programmes	IDP Office		March 2013
Financial plan and capital investment plan are developed	CFO		March 2013
Presentation of draft IDP & budget to the IDP and Budget Steering Committee& MAYCO	Executive Mayor / MM/Directors		March 2013
APPROVAL PHASE			
Tabling of the Draft IDP and Budget in Council	Executive Mayor	Approved IDP, budget and SDBIP	March 2013
Related Policies tabled at Council and made public (MFMA Section 16 & 22)	Budget Office		March 2013
Submission of draft IDP and budget to MECs Treasury and Local Government	IDP/Budget Office/MM		April 2013

DELIVERABLE AND PROCESS MANAGEMENT	RESPONSIBILITY	OUTPUT	DATE
Invite public comments on Draft IDP and Budget including Roadshows	IDP/Budget Office		April /May 2013
IDP&Budget Steering Committee considers submissions, representations and recommendations from Roadshows. Executive Mayor be provided with an opportunity to respond to submissions during consultation and table amendments for Council consideration	ALL		May 2013
Council meeting to adopt final IDP, Budget and Budget Related Policies	Council		May 2013
Submission of Final IDP and budget to MECs Treasury and Local Government	IDP/Budget Office/MM		May/June 2013
Publication of approved IDP and budget on website and in local newspapers	IDP/Budget Office		June 2013
Finalisation and submission of draft 2012/13 SDBIP and annual performance agreement by Municipal Manager to the Executive Mayor	MM	Approved SDBIP and annual performance agreements	June/July 2013
Executive Mayor approves the 2012/13 SDBIP and annual performance agreements of the Municipal Manager and Senior Managers within 28 days after the approval of the IDP and budget.	Executive Mayor		June/July 2013
Submit the approved SDBIP and performance agreements to Council, MEC Local Government within 14 days after approval	MM/ IDP/Budget Office		July 2013
MONITORING AND EVALUATION PHASE			
Commence with the compilation of the Annual Report 2012/2013	IDP Office& Directorates	Compile annual report	July 2012- March 2013
Quarterly SDBIP performance progress report for first quarter of 2012/13 Section 80 Committees, MAYCO and Council	IDP/Budget Office	SDBIP performance report noted	October 2012
Quarterly SDBIP performance progress report for second quarter of	IDP/Budget Office	SDBIP performance report	January 2013

DELIVERABLE AND PROCESS MANAGEMENT	RESPONSIBILITY	OUTPUT	DATE
2012/13 Section 80 Committees, MAYCO and Council		noted	
Section 56/57 Managers' half-yearly evaluations for 2012/13	MM& Executive Mayor	Performance evaluated	January 2013
Mid-year budget and performance assessment MFMA Section 72 (1)(2)(3)	MM/ IDP/Budget Office	Mid-Term finance and service delivery performance report compliant to MFMA	January 2013
Executive Mayor tables the Annual Report 2011/12 MFMA Section 127 (2)	Executive Mayor	Annual report 2011/12 tabled	January 2013
Executive Mayor tables adjustment budget for approval by Council MFMA Section 28	Executive Mayor	Approved adjustment budget	February 2013
Publicise both the Annual Report (invite public inputs into the report - MFMA 127 & MSA section 21A) and the adjustment budget on the municipal website and in local newspapers	MM	Annual report and adjustment budget publicised	February/March 2013
Council to consider and adopt Annual & Oversight Report by 31 March MFMA Section 129(1)	MM & Executive Mayor	Oversight report approved	March 2013
Publicise Annual & Oversight Report within seven days of adoption MFMA Section 129(3) & MSA Section 21A	MM		April 2013
Within seven days of adoption of Annual & Oversight Report submit to Provincial Legislature/MEC for Local Government	MM		April 2013
Quarterly SDBIP performance progress report for third quarter of 2012/13 Section 80 Committees, MAYCO and Council	IDP/Budget Office	SDBIP performance report noted	April 2013
Quarterly SDBIP performance progress report for fourth quarter of 2012/13 Section 80 Committees, MAYCO and Council	IDP/Budget Office	SDBIP performance report noted	July 2013
Section 56/57 Managers' Annual Performance Evaluations for 2012/13	MM& Executive Mayor	Performance evaluated	July 2013

2.2.3 – Tabling of the draft budget

The initial draft budget must be tabled by the mayor before council for review by 30 March.

Once tabled at council, the municipal manager must make public the appropriate budget documentation and submit it to both the national and the relevant provincial treasury and any other government departments as required. At this time, the local community must be invited to submit representations on what is contained in the budget.

The draft budget was tabled before Council on 28 March 2013.

2.2.4 – Consultation with the community and key stakeholders

When the draft budget is tabled, council must consider the views of the local community, the national and the relevant provincial treasury and other municipalities and government departments that may have made submissions on the budget.

The consultation with National and Provincial Treasuries regarding the MTREF is attached as an annexure to this document.

The public participation meetings were held from 10 April – 08 May 2013, within the wards of George. The overall objective of this road show is to ensure an authentic and inclusive public participation process for the IDP and budget.

The planning of the road shows was driven by a steering committee constituted by politicians and officials from all Directorates. This committee provided guidance and feedback on areas that required improvement as the IDP and Budget Road shows unfolded.

A report was compiled on the outcomes of these road shows and is available on request together with the attendance registers for the respective meetings.

Table 28: IDP and Budget Road show Programme 2013/14

WARD		COUNCILLOR	PLANNED DATE	ACTUAL DATE	VENUE	TIME	DEPARTMENT
4	Wilderness, KleinKrantz, Touwsranten, Hoekwil, Glenwood	Cllr L van Wyk	WEDNESDAY 10 APRIL 2013	WEDNESDAY 10 APRIL 2013	Touwsranten Community Hall	19h00	IDP
1	Blanco	Cllr BFortuin					
22	LandelikeGebiede, Diepkloof, Sinksabrug, Waboomskraal, Herald, Geelhoutboom, Bodorp,Camphersdrift	Chief Whip Cllr P de Swardt	WEDNESDAY 10 APRIL 2013	WEDNESDAY 10 APRIL 2013	Blanco Community Hall	19h00	FINANCE
7	Lawaaikamp	Cllr Z Ntozini	THURSDAY 11 APRIL 2013	MONDAY 29 APRIL 2013	Lawaaikamp Community Hall	18h00	IDP
8	Parkdene, Portion of Ballotsview	Cllr C Standers	THURSDAY 11 APRIL 2013	THURSDAY 11 APRIL 2013	Parkdene Community Hall	19h00	FINANCE
6	Rosemoor, Protea Park, Urbansville, Portion of Le Vallia,		MONDAY 15 APRIL 2013	MONDAY 15 APRIL 2013	Rosemoore Community Hall	19h00	IDP
12	Thembalethu	Cllr N Sixolo	MONDAY 15 APRIL 2013	MONDAY 15 APRIL 2013	All Brick Hall	18h00	FINANCE
21	Thembalethu	Cllr S Thanda	TUESDAY 16 APRIL 2013	TUESDAY 16 APRIL 2013	Thembalethu Primary School	18h00	IDP
9	Thembalethu	Cllr T Teyisi	TUESDAY 16 APRIL 2013	TUESDAY 16 APRIL 2013	Tyholora Primary School	18h00	FINANCE
10	Thembalethu	Cllr M Gingcana	WEDNESDAY 17 APRIL 2013	TUESDAY 30 APRIL 2013	Tyholora Primary School	18h00	FINANCE
11	Thembalethu	Cllr N Kamte	WEDNESDAY 17 APRIL 2013	MONDAY 29 APRIL 2013	Thembalethu Community Hall	18h00	IDP
13	Thembalethu	Cllr B Salmani	THURSDAY 18 APRIL 2013	MONDAY 06 MAY 2013	Multi-Purpose Centre	18h00	FINANCE

WARD		COUNCILLOR	PLANNED DATE	ACTUAL DATE	VENUE	TIME	DEPARTMENT
15	Thembalethu	Cllr F Guga	THURSDAY 18 APRIL 2013	TUESDAY 30 APRIL 2013	Zone 9 Community Hall	18h00	IDP
5	Le Vallia, Bergsig, Loerie Park, Bo-Dorp, Bergsig, Molenrivier-rif	Cllr L Esau					
23	Delville Park, Groenewyde Park, HeroldsBay, Oubaai, Bos & Dal, Rooirivierrif	Cllr G Stander					
3	Heather Park, Heatherlands	Cllr E De Villiers	MONDAY 22 APRIL 2013	MONDAY 22 APRIL 2013	Main Hall, York Street	19h00	FINANCE
2	Denneoord , Fernridge, Bo-dorp	Cllr C Neethling					
18	Loeriepark, Tweerivieren, George Park	Cllr G Niehaus					
19	George Sentral , George South, Dormehlsdrift King George	Cllr I Kritzinger					
14	Erf 325 , Pacaltsdorp, Andersonville, Seaview, Europe, Noordstraat	Cllr C Papah	MONDAY 22 APRIL 2013	MONDAY 22 APRIL 2013	Pacaltsdorp Community Hall	19h00	IDP
16	New Dawn Park	Cllr H Jones					
20	Borcherds	Cllr M Draghoender	TUESDAY 23 APRIL 2013	TUESDAY 23 APRIL 2013	YFC centre (Kids stop)	19h00	FINANCE
24	Haarlem, Avontuur, Ongelegen, Nol	Cllr A Wildeman	TUESDAY 23 APRIL 2013	TUESDAY 23 APRIL 2013	Haarlem Community Hall	19h00	IDP
17	Conville, Rosemoor, Convent Gardens, Mary's View	Cllr D Maritz	WEDNESDAY 24 APRIL 2013	MONDAY 06 MAY 2013	Conville Community Hall	19h00	FINANCE

WARD		COUNCILLOR	PLANNED DATE	ACTUAL DATE	VENUE	TIME	DEPARTMENT
25	Uniondale, Esseljag, Rooirivier	Cllr M Kleynhans	WEDNESDAY 24 APRIL 2013	WEDNESDAY 08 MAY 2013	Uniondale Community Hall	19h00	IDP
24	Farmers Associations & Organisations	Cllr A Wildeman	THURSDAY 25 APRIL 2013	THURSDAY 25 APRIL 2013	Avontuur	1900	FINANCE
25	Farmers Associations & Organisations	Cllr M Kleynhans	THURSDAY 25 APRIL 2013	THURSDAY 25 APRIL 2013	Buffelsdrift	19h00	IDP
14	Erf 325 , Pacaltsdorp, Andersonville, Seaview, Europe, Noordstraat	Cllr C Papah	TUESDAY 23 APRIL 2013	TUESDAY 23 APRIL 2013	YFC centre (Kids stop)	19h00	FINANCE

2.3 – Service Delivery and Budget Implementation Plan (SDBIP)

The municipal manager must within fourteen days after the approval of the annual budget submit to the mayor for approval a draft service delivery and budget implementation plan and draft annual performance agreements for all pertinent senior staff.

A service delivery and budget implementation plan is a detailed plan for implementing the delivery of municipal services contemplated in the annual budget and should indicate monthly revenue and expenditure projections and quarterly service delivery targets and performance indicators.

The mayor must approve the draft service delivery and budget implementation plan within 28 days of the approval of the annual budget.

This plan must then be monitored by the mayor and reported on to council on a regular basis. The municipal manager is responsible for implementation of the budget and must take steps to ensure that all spending is in accordance with the budget and that revenue and expenditure are properly monitored.

Generally, councils may incur expenditure only if it is in terms of the budget, within the limits of the amounts appropriated against each budget vote – and in the case of capital expenditure, only if council has approved the project. Expenditure incurred outside of these parameters may be considered to be unauthorised or, in some cases, irregular or fruitless and wasteful. Unauthorised expenditure must be reported and may result in criminal proceedings.

The Draft Service Delivery and Budget Implementation Plan are attached as annexure 14 to this document.

2.4 – Alignment of Annual Budget with IDP

Municipalities are required to develop five year Integrated Development Plans which must be reviewed annually. Local priorities were identified as part of the IDP process which is directly aligned to that of national and provincial priorities.

The IDP strategic objectives and goals are set out in the IDP document.

George is a city for all reasons and this along with the strategic vision and mission has led to the conceptualisation of five strategic goals for George. These goals are as follows:

One	• Deliver Quality Services in George
Two	• Grow George
Three	• Keep George Safe & Green
Four	• Good Governance in George
Five	• Participate in George

The above strategic goals are set to become the catalysts to ensure that the vision and mission is achieved in the next five years.

The 2013/14 MTREF has therefore been directly informed by the IDP and the following tables provide reconciliation between the IDP strategic objectives and goals.

Table 29 – SA4: Reconciliation between IDP strategic objectives and budgeted operating revenue

Strategic Objective R thousand	Goal	Goal Code	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Sanitation	Deliver quality Services in George	1	43,540	60,688	97,037	110,569	113,008	113,008	124,874	120,418	127,209
Water Services	Deliver quality Services in George	1	140,873	116,675	111,534	137,301	146,549	146,549	116,374	116,193	124,183
Roads Streets, Storm water drainage and Sidewalks	Deliver quality Services in George	1	15,956	9,612	8,962	53,456	57,329	57,329	46,371	9,507	5,625
Transport Planning & Traffic Engineering	Deliver quality Services in George	1	–	–	248	10,000	2,000	2,000	186,519	118,754	105,000
Electricity	Deliver quality Services in George	1	276,355	323,596	387,424	431,605	437,026	437,026	466,767	491,785	524,824
Housing	Deliver quality Services in George	1	12,528	73,351	71,531	26,476	44,778	44,778	42,424	1,628	1,729
Spatial Planning	Good governance in George	4	5,357	5,578	4,022	3,008	3,364	3,364	3,566	3,780	4,007
Property Development	Deliver quality Services in George	1	12,198	6,127	7,534	1,124	3,680	3,680	1,380	1,455	1,535
Public Safety and Law Enforcement	Deliver quality Services in George	1	3,769	12,763	18,495	19,900	20,766	20,766	23,608	24,025	24,353
Road Transport	Deliver quality Services in George	1	7,852	7,418	8,018	8,144	8,144	8,144	8,633	9,151	9,700
Environmental Health	Deliver quality Services in George	1	1	1	1	1	1	1	34	35	35
Public Amenities	Deliver quality Services in George	1	2,804	5,553	3,486	4,536	5,005	5,005	4,711	4,815	1,719
Waste Management	Deliver quality Services in George	1	27,177	31,335	58,344	61,661	57,985	57,985	60,556	63,695	68,583
Sport facilities and Development	Deliver quality Services in George	1	3,036	33	210	2,305	6,517	6,517	4,281	3,467	3,469
Local Economic Development	Grow George	2	334	1	240	–	140	140	250	–	–
Tourism	Grow George	2	–	14	15	16	16	16	17	18	19
Financial viability and management	Good governance in George	4	56,685	74,232	12,458	14,881	19,113	19,113	19,795	21,085	22,082
Revenue enhancement	Good governance in George	4	172	53	339	206	567	567	1,781	1,634	1,734
Credit Control	Good governance in George	4	105,975	120,295	134,686	150,953	151,006	151,006	164,891	172,364	183,906
Budget Formulation and control	Good governance in George	4	607	721	2,699	945	945	945	928	1,023	1,069
People Management and Empowerment	Good governance in George	4	691	524	1,294	712	712	712	1,825	839	353
Administrative Support	Good governance in George	4	1,623	1,031	2,394	1,526	1,760	1,760	338	124	131
Library Services	Deliver quality Services in George	1	968	1,173	1,310	2,099	2,287	2,287	2,155	7,098	2,288
Integrated Development Planning	Participate in George	5	110	63	521	150	150	150	230	300	320
Communication	Good governance in George	4	–	184	81	100	100	100	–	120	120
HIV/Aids	Keep George Safe & Green	3	3	4	3	–	–	–	–	–	–
Social Development	Keep George Safe & Green	3	3	74	69	944	1,058	1,058	670	677	710
Internal Audit and Risk Management	Good governance in George	4	1	1	26	–	–	–	–	–	–
Allocations to other priorities											
Total Revenue (excluding capital transfers and contributions)			718,619	851,103	932,980	1,042,619	1,084,006	1,084,006	1,282,979	1,173,990	1,214,700

Table 30 – SA5: Reconciliation between IDP strategic objectives and budgeted operating expenditure

Strategic Objective R thousand	Goal	Goal Code	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Sanitation	Deliver quality Services in George	1	47,682	52,438	73,095	57,883	64,464	64,464	66,012	71,223	73,561
Water Services	Deliver quality Services in George	1	69,535	77,538	92,389	90,136	89,297	89,297	92,719	95,722	99,677
Roads Streets, Storm water drainage and Sidewalks	Deliver quality Services in George	1	93,278	93,933	96,828	124,181	127,916	127,916	129,466	103,703	97,764
Transport Planning & Traffic Engineering	Deliver quality Services in George	1	–	–	248	10,000	2,000	2,000	94,389	55,449	49,311
Electricity	Deliver quality Services in George	1	190,406	268,241	309,095	367,896	374,409	374,409	405,498	435,263	465,753
Housing	Deliver quality Services in George	1	20,386	80,304	85,012	41,340	63,066	63,066	63,732	23,034	23,860
Spatial Planning	Good governance in George	4	8,637	8,859	11,362	11,231	10,980	10,980	11,987	12,589	13,197
Property Development	Deliver quality Services in George	1	26,556	4,261	15,547	3,997	4,150	4,150	4,294	3,765	3,739
Public Safety and Law Enforcement	Deliver quality Services in George	1	42,757	41,675	57,986	45,287	46,594	46,594	48,137	50,406	52,961
Road Transport	Deliver quality Services in George	1	4,499	4,353	5,780	4,990	4,919	4,919	4,802	5,231	5,553
Environmental Health	Deliver quality Services in George	1	760	782	967	961	994	994	1,030	1,089	1,140
Public Amenities	Deliver quality Services in George	1	26,063	24,981	22,161	25,109	25,933	25,933	26,320	27,190	25,281
Waste Management	Deliver quality Services in George	1	33,870	37,540	48,522	45,750	46,169	46,169	49,294	49,479	52,134
Sport facilities and Development	Deliver quality Services in George	1	6,098	7,703	8,422	8,155	8,372	8,372	8,512	8,541	8,760
Local Economic Development	Grow George	2	1,053	1,451	2,129	1,674	1,819	1,819	2,494	2,611	2,790
Tourism	Grow George	2	1,410	1,808	2,087	2,086	2,182	2,182	2,759	2,545	2,692
Financial viability and management	Good governance in George	4	25,963	23,321	12,637	23,330	25,039	25,039	26,795	27,898	29,684
Revenue enhancement	Good governance in George	4	9,316	9,892	14,326	14,484	14,134	14,134	14,585	16,194	16,776
Credit Control	Good governance in George	4	4,006	3,817	9,992	6,357	6,357	6,357	6,561	9,243	9,626
Budget Formulation and control	Good governance in George	4	2,494	2,798	4,056	3,028	3,002	3,002	3,321	3,544	3,766
People Management and Empowerment	Good governance in George	4	8,206	9,803	1,626	13,621	13,398	13,398	16,001	15,743	16,624
Administrative Support	Good governance in George	4	72,550	69,839	45,184	54,655	55,409	55,409	64,973	65,615	69,380
Library Services	Deliver quality Services in George	1	6,063	6,272	8,284	8,120	7,898	7,898	8,560	8,999	9,499
Integrated Development Planning	Participate in George	5	895	926	1,529	1,060	1,260	1,260	1,387	1,500	1,584
Communication	Good governance in George	4	2,706	1,994	3,265	4,155	5,355	5,355	5,828	6,140	6,357
HIV/Aids	Keep George Safe & Green	3	761	755	963	664	655	655	752	790	829
Social Development	Keep George Safe & Green	3	4,289	4,318	5,822	5,873	6,214	6,214	6,013	6,028	6,250
Internal Audit and Risk Management	Good governance in George	4	4,890	5,944	0	7,270	7,270	7,270	7,706	6,855	7,167
Allocations to other priorities											
Total Expenditure			715,130	845,545	939,312	983,290	1,019,256	1,019,256	1,173,924	1,116,389	1,155,716

Table 31 – SA6: Reconciliation between IDP strategic objectives and budgeted capital expenditure

Strategic Objective R thousand	Goal	Goal Code	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Sanitation	Deliver quality Services in George	A	21,480	8,974	30,172	36,011	43,112	43,112	46,280	42,336	45,991
Water Services	Deliver quality Services in George	B	121,994	48,494	21,487	32,866	36,378	36,378	20,453	14,419	24,161
Roads Streets, Storm water drainage and Sidewalks	Deliver quality Services in George	C	34,002	14,395	14,121	34,489	32,237	32,237	34,085	27,378	31,279
Transport Planning & Traffic Engineering	Deliver quality Services in George	D	–	–	–	–	–	–	90,630	61,805	55,689
Electricity	Deliver quality Services in George	E	48,576	55,005	35,613	25,175	23,816	23,816	18,563	28,338	25,221
Housing	Deliver quality Services in George	F	1,530	4,716	1,141	4,085	993	993	7,743	16,200	16,500
Public Safety and Law Enforcement	Deliver quality Services in George	G	1,252	193	3,333	4,749	5,430	5,430	5,865	1,500	–
Road Transport	Deliver quality Services in George	H	–	–	–	–	–	–	15	–	–
Public Amenities	Deliver quality Services in George	I	519	2,330	2,020	914	331	331	1,325	1,173	500
Waste Management	Deliver quality Services in George	J	–	492	–	8,500	1,855	1,855	8,570	7,280	10,100
Sport facilities and Development	Deliver quality Services in George	K	12,842	1,019	1,512	2,708	7,196	7,196	8,570	5,110	3,000
Local Economic Development	Grow George	L	332	–	–	–	–	–	–	–	–
Financial viability and management	Good governance in George	M	–	720	200	230	155	155	780	280	280
Administrative Support	Good governance in George	N	540	202	91	690	1,406	1,406	8,145	4,355	1,610
Library Services	Deliver quality Services in George	O	–	93	5	505	405	405	–	5,000	–
Social Development	Keep George Safe & Green	P	–	–	–	–	60	60	–	–	–
Allocations to other priorities											
Total Capital Expenditure			243,067	136,635	109,695	150,922	153,373	153,373	251,024	215,174	214,331

2.5 – Measurable Performance Objectives and Indicators

The MPO's included in the table below are only those that are linked to basic service delivery.

Tables 32 – SA7: Measurable Performance Objectives

Description	Unit of measurement	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue &		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Civil Engineering Services										
Sewerage										
Eradication of backlogs										
<i>Households with access to sewerage</i>	Percentage Number	53	95	98	95.0%	98.0%	98.0%	95.0%	95.0%	95.0%
Water										
<i>Eradication of backlogs</i>	Percentage	95.0%	95.0%	96.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%
Losses										
<i>Limit water losses through network</i>	Percentage	5.3%	8.8%	2.8%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
<i>Limit water losses through purification</i>	Percentage	5.8%	6.9%	7.1%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
Roads and Stormwater										
Eradication of backlogs										
<i>Stormwater drainage to reduce backlogs</i>	Percentage	75.0%	100.0%		75.0%	75.0%	75.0%	75.0%	75.0%	75.0%
Roads Maintenance										
<i>Tarred Roads resealed</i>	Kilometers	2.5	24.5	7.0	7.0	7.0	7.0	5.0	5.0	5.0
Electro-technical Services										
Electricity										
Access to and supply of electricity										
<i>Informal households with access to electricity</i>	Percentage			90.0%	90.0%	95.0%	95.0%	96.0%	96.0%	96.0%
<i>New Informal households with supply of electricity</i>	Percentage			100.0%	90.0%	95.0%	95.0%	95.0%	95.0%	95.0%
Losses										
<i>Limit electricity losses</i>	Percentage	7.1%	5.5%	5.7%	12.0%	12.0%	12.0%	<10%	<10%	<10%
Community Services										
Waste Management										
Refuse removal										
<i>Households refuse collected</i>	Tons	32 500	34 527	23 229	36 000	36 000	36 000	31 300	31 500	32 000
<i>Minimise waste i.t.o. Recycling</i>	Tons	3 000	1 726	1 309	84	84	84	1 250	1 300	1 350
Financial Services										
Credit Control										
Households receiving free basic services										
<i>Number of households receiving free basic water</i>	Number	39 367	32 593	30 668	33 447	35 453	33 129	34 785	36 524	38 351
<i>Number of households receiving free basic sanitation</i>	Number	12 100	13 873	16 107	14 517	15 388	15 521	15 321	16 087	16 891
<i>Number of households receiving free basic electricity</i>	Number	39 367	32 593	30 668	33 447	35 453	11 380	11 979	12 578	13 207
<i>Number of households receiving free basic refuse removal</i>	Number	12 100	13 873	12 168	14 517	15 388	15 521	15 321	16 087	16 891
Human Settlement, Land Affairs and Planning										
Housing										
Building of Low cost houses										
<i>Number of houses completed</i>	Number	40	345	961	956	400	400	500	500	1 425

1. Include a measurable performance objective for each revenue source (within a relevant function) and each vote (MFMA s17(3)(b))

2. Include all Basic Services performance targets from 'Basic Service Delivery' to ensure Table SA7 represents all strategic responsibilities

3. Only include prior year comparative information for individual measures where relevant activity occurred in that year/

The key financial indicators and ratios are expressed in the table below:

Tables 33 – SA8: Performance Indicators and benchmarks

Description of financial indicator	Basis of calculation	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue &		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
<u>Borrowing Management</u>											
Credit Rating		A2	A2	A2	A2	A2	A2	A2	7.5%	7.9%	7.1%
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	9.7%	9.5%	9.3%	8.8%	8.5%	8.5%	8.5%			
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	12.8%	12.7%	12.2%	10.9%	10.9%	10.9%	10.9%	10.3%	9.8%	8.7%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	86.9%	100.8%	0.0%	17.9%	11.2%	11.2%	11.2%	56.2%	43.2%	47.2%
<u>Safety of Capital</u>											
Gearing	Long Term Borrowing/ Funds & Reserves	695.4%	736.6%	658.1%	623.2%	616.7%	616.8%	616.8%	656.7%	611.5%	564.3%
<u>Liquidity</u>											
Current Ratio	Current assets/current liabilities	3.5	2.8	2.5	3.8	3.1	3.4	3.4	2.8	2.7	2.9
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	3.5	2.8	2.5	3.8	3.1	3.4	3.4	2.8	2.7	2.9
Liquidity Ratio	Monetary Assets/Current Liabilities	0.9	1.2	1.0	1.6	0.9	1.2	1.2	1.2	1.4	1.6
<u>Revenue Management</u>											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing	109.6%	105.4%	96.0%	103.3%	100.7%	100.7%	100.7%	100.7%	104.4%	104.4%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		109.3%	105.1%	95.9%	102.7%	100.7%	100.7%	100.7%	100.7%	103.8%	103.8%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	23.3%	15.3%	14.7%	10.4%	10.3%	10.3%	10.3%	11.5%	12.1%	11.0%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										
<u>Creditors Management</u>											
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA's 65(e))	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Creditors to Cash and Investments		57.1%	40.1%	42.2%	22.4%	40.6%	30.7%	30.7%	42.8%	32.4%	27.2%
<u>Other Indicators</u>											
Electricity Distribution Losses (2)	Total Volume Losses (kW)	29663847	23699279	31798687	31100000	31100000	31100000	31100000	30000000	31800000	33708000
	Total Cost of Losses (Rand '000)	9,789	10,191	16,853	16,400	16,400	16,400	16,400	15,900	16,854	17,865
Water Distribution Losses (2)	Total Volume Losses (kL)	518171	793743	451565	1022320	1022320	1022320	1022320	1048000	1074000	1101000
	Total Cost of Losses (Rand '000)	1,156	2,357	1,739	4,324	4,324	4,324	4,324	4,788	4,816	4,937
Employee costs	Employee costs/(Total Revenue - capital revenue)	36.3%	29.8%	28.6%	27.4%	27.1%	27.1%	27.1%	26.1%	29.2%	29.9%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	37.9%	31.2%	30.2%	29.1%	28.7%	28.7%	28.7%	27.6%	30.9%	31.6%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	8.7%	7.2%	6.1%	6.8%	6.8%	6.8%	6.8%	6.3%	7.0%	7.0%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	21.0%	19.3%	18.8%	16.4%	16.8%	16.8%	16.8%	13.6%	13.5%	11.9%
<u>IDP regulation financial viability</u>											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	11.8	12.9	14.5	16.0	16.0	16.0	14.5	14.3	15.1	15.9
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	28.0%	20.1%	19.2%	13.5%	13.3%	13.3%	13.3%	16.2%	15.3%	13.8%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	3.4	4.4	3.7	4.5	2.4	3.2	3.2	2.7	3.6	4.2

2.6 – Overview of budget related policies

The municipality's budgeting process is guided and governed by relevant legislation, frameworks, strategies and related policies.

Section 17 (3) (e) of the Municipal Finance Management Act, (Act No 56 of 2003) prescribes that the Municipality must review the budget related policies annually. Herewith follows suggested changes to Council's budget related policies.

The budget committee considered amendments to various policies and amendments were made.

The following budget related policies were reviewed:

1. Tariff policy
2. Rates policy
3. Customer Care, Credit Control and Debt Collection policy
4. Indigent policy (Free basic services)
5. Virement policy (Shifting of funds)
6. Cash Management, Borrowing and Investment Policy
7. Funding and Reserves policy
8. Supply Chain Management policy
9. Asset Management Policy
10. Personnel policies – overtime, vacancies and temporary staff

The following financial policies need to be reviewed in future:

1. Long-Term Financial policy – still in the process of updating the policy.
2. Infrastructure Investment and capital projects including –
 - Planning and Approval of Capital projects – Ignite is busy drawing up this policy.
 - Policy on Developer Contributions – this is included in the tariff policy.
3. Unforeseen and Unavoidable expenditure
4. Policy dealing with Management and Oversight

Budget related policies are attached as Annexures.

2.6.1 – Review of current policies

2.6.1.1 – Review of Property Rates policy

The Property Rates policy has been formulated in terms of the Local Government: Municipal Property Rates Act, 2004:

The following definitions was introduces;

“Agricultural purposes” means:

(b) *in relation to the use of a property, means bona fide farming, as defined in Section 1 of the Land Use Planning Ordinance, 1985 (Ordinance 15 of*

1985),(also referred to as LUPO): The cultivation of land for crops and plants or the breeding of animals, and only includes such activities as are reasonably connected with the main farming activities of the farm, and specifically excludes, the operation of a game farm for the trading in or hunting of game, and the use of the property for eco-tourism; and "agriculture" shall have a corresponding meaning.

(c) and in relation to the use of the property, means a farming concern deriving taxable income from pastoral, agricultural or other farming operations in terms of the Income Tax Act 1962, (Act no 58 of 1962 as amended), but excluding eco-tourism, or farming to trading or hunting of game, and registered as such with the municipality.

(e) "multi-purpose property" means use of a property for more than one purpose

(f) "agricultural property" in relation to property means property used for agricultural purposes, and includes only such buildings as are reasonably connected with the main farming activities, and does not include buildings or portions of land falling under the consent uses applicable to agriculture zone 1 in terms of LUPO.

"Public benefit organisations" means:

an organisation approved in terms of section 30(3) Income Tax Act 1962, (Act no 58 of 1962 as amended) and registered as such with the municipality.

The following sections were added;

5. CATEGORIES OF PROPERTY

(f) The following categories are excluded/deleted from Agriculture property uses:

- (i) eco-tourism or conservation; or
- (ii) trading in or hunting of game.

(5) In determination of the category of the property cognizance shall be taken of the zoning of the property, which zoning may be amended in accordance with the relevant statutes, ordinances, by-laws and policies

6. CATEGORIES OF OWNERS

(6) Rates Clearance Certificate

The municipality shall issue a rates clearance certificate in terms of section 118(1) of the Local Government: Municipal Systems Act 2000 (Act no 32 of 2000) provide, after payment of the subscribed administration fee, and only when annual property rates and tariff and other municipal services charges have been paid in full as prescribed in section 118(1).

7. MONTHLY PAYMENT

The municipality will recover the rate levied in periodic instalments of equal amounts in twelve months. The instalment is payable on or before the 15th day of every month in accordance with the municipality's monthly accounts.

9.3 IMPERMISSIBLE RATES

1) A municipality may not levy a rate :-

- a) on the first 30% of the market value of public service infrastructure;
- b) on any part of the seashore as defined in the Seashore Act, 1935 (Act No. 21 of 1935);
- c) on any part of the territorial waters of the Republic as determined in terms of the Maritime Zones Act, 1994 (Act No. 15 of 1994);
- d) on any islands of which the state is the owner;
- e) on those parts of a special nature reserve, national park or nature reserve within the meaning of the National Environmental Management: Protected Areas Act, 2003 (Act. No. 57 of 2003), or of a national botanical garden within the meaning of the National Environmental Management: Biodiversity Act, 2004, which are not developed or used for commercial, business, agricultural or residential purposes;
- f) on mineral rights within the meaning of paragraph (b) of the definition of "property" in section 1;
- g) on a property belonging to a land reform beneficiary or his or her heirs, provided that this exclusion lapses ten years from the date on which such beneficiary's title was registered in the office of the Registrar of Deeds;
- h) on the first R15 000 of the market value of a property assigned in the valuation roll or supplementary valuation roll of a municipality to a category determined by the municipality-
 - i) for residential properties; or
 - ii) for properties used for multiple purposes, provided one or more components of the property are used for residential purposes; or
 - iii) on a property registered in the name of and used primarily as a place of public worship by a religious community, including an official residence registered in the name of that community which is occupied by an office-bearer of that community who officiates at services at that place of worship.

(2) The exclusion from rates of a property referred to in subsection 1(e) above lapses if the declaration of that property as a special nature reserve, national park, nature reserve or national botanical garden, or as part of such a reserve, park or botanical garden, is withdrawn in terms of the applicable Act mentioned in this subsection.

17. FREQUENCY OF VALUATIONS

(4) In cases where buildings is completed on a property and the completion certificate is not yet issued, the valuer may take the said building in consideration in the compilation of the municipal valuation on a supplementary valuation roll, as mentioned in section 78 of the Municipal Property Rates Act.

18. UPDATING OF VALUATION ROLLS

(1.3) VALUATION OBJECTION PROCESS

After the valuer of a municipality has submitted a certified valuation roll in terms of section 49 of the Municipal Property Rates Act 2004 (Act 6 of 2004), prescribes the objection process as follow:

- a) *The Municipality must notify the owners of the publication of the valuation roll for public inspection for a period not less than 30 days from the date of the last notice.*
- b) *In terms of section 50(1) (c) any person may within the period stated in the notice*
 - (i) *inspect the valuation roll within office hours;*
 - (ii) *on payment of a reasonable fee, request the municipality to make extracts from the roll;*
 - (iii) *Lodge an objection with the Municipal Manager against any matter reflected in, or omitted from, the roll.*
- c) *An objection must be lodged by completing the prescribed form for each property within the advertised period.*
- d) *An objection must be to a specific individual property and not against the valuation roll as such.*
- e) *The Municipality may also lodge an objection through the Municipal Manager against any matter reflected in, or omitted from, the valuation roll.*
- f) *In terms of section 50(6) the lodging of the objection does not defer liability for payment of rates beyond the date determined for payment.*
- g) *In terms of section 54 of the Act, a person may lodge and appeal against the outcome of the objection.*
- h) *The appeal must be submitted within the given timeframe by submitting the prescribed form which is available at the municipality.*
- i) *In terms of section 54(4) the lodging of an appeal does not defer a person's liability for payment of rates beyond the date determined for payment.*
- j) *The handling of late objection forms and appeal will be included in the next supplementary valuation process.*

2.6.1.2 – Review of Tariff policy

Specific legislation applicable to each service has been taken into consideration when determining this policy. The municipality's tariff policy provide a broad framework within which the Council can determine fair, transparent and affordable charges that also promote sustainable service delivery.

The following new insertions were made:

9) Water tariffs

- b) *Method of calculation*
 - vi) *Industries/Businesses with a consumption of more than 100kl per day will have a basic minimum charge per month and their consumption will be charged at a flat rate as determined by Council.*

10) Electricity tariffs

- k) *Were bulk consumers with electronic type meters close during December, and use maximum demand for less than 5 days during the metering period and the city demand does not coincide with the customers demand reading, then the minimum demand charge will apply for that month if arrangements are made with the Electro technical services at least one week before the period.*

2.6.1.3 – Review of Customer Care, Debt Collection and Credit Control

The following definitions was introduces;

f) “*customer*” any owner/landlord or occupier of a property to which property the municipality has agreed to supply services or already supplies services, and any owner of a property not receiving services but for which property services had been made available, and any person liable to the Municipality for taxes, rates or other charges.

The following new insertions were made:

1) DUTIES AND FUNCTIONS

e) *Duties and functions of Communities, ratepayers and residents*
vii) *To inform the Municipality in writing of any changes in his/her address or contact details.*

Duties and functions of Councillors

iv) *To always pay amounts that are owed in respect of municipal rates, taxes and services and not to default on payments.*
v) *The normal credit control procedures shall also apply to any arrear account of a councillor or municipal staff.*

g) *Duties and Responsibility of Municipal Staff*
i) *To always pay amounts that are owed in respect of municipal rates, taxes and services and not to default on payments.*
ii) *The Municipality may deduct any outstanding amounts from a staff member, if the member has not paid amounts that are due to the municipality for more than three (3) months.*
iii) *The normal credit control procedures shall also apply to any arrear account of a councillor or municipal staff.*
iv) *Where the municipality provides temporary employment to members of the community who are in arrears with payments for municipal rates and services they will be required to enter an agreement to pay 20% of their gross remuneration towards these arrears of debt.*

7) CREDIT CONTROL SECTION

b) *Application for supply of municipal services and service agreements*
viii) *Applications for services from businesses, including but not limited to trusts, companies, close corporations and partnerships must include a resolution delegating authority to the applicant to apply for the relevant services furnishing, if applicable, the business entity's registration number or IT number, the names, addresses and all relevant contact particulars of all the business's directors, members, trustees, proprietors or partners.*
ix) *An applicant must provide any information and documentation which the Municipality requires.*
x) *Consumers who illegally consume services without this agreement will be subject to punitive action.*

xi) *A property developer must inform the municipality of the nature and extent of the municipal services or services that will be provided as well as the measuring devices that will be used.*

xii) *A property developer who fails to comply with the provisions of xi) shall be liable for the payment of all the applicable charges that would have been payable by customers in respect of municipal services that have been used or consumed by such customers.*

g) Termination of service(s)

i) *It is the responsibility of the consumer to notify the municipality when the municipal services are no longer required due to the sale of the property or other reasons.*

ii) *Failure to comply with the conditions above renders the consumer liable for all service charges and interest thereon accumulated from the date when the premises are vacated to the date when council becomes aware of such vacation.*

iii) *A customer may terminate agreement for the supply of municipal services by giving at least 21(twenty-one) days written notice to the municipality of such termination.*

iv) *The Municipality may terminate an agreement for supply of municipal services by giving at least 21(twenty-one) day's written notice to a customer where:*

a) Municipal services were not utilized by such customer for a consecutive period of 2 months and without an agreement, to the satisfaction of the municipality, having been made for the continuation of the agreement; or

b) Premises have been vacated by the customer concerned and no arrangement for the continuation of the agreement has been made with the municipality provided that, in the event of the customer concerned not being the registered owner of the premise, a copy of the aforesaid notice shall also be served on such registered owner.

v) *The municipality may terminate services to a property immediately when it receives notice or verified information that the customer has been placed under provisional sequestration, or provisional liquidation or has been deregistered is deceased, unless suitable arrangements have been made for the payment of services after the date of sequestration, liquidation, deregistration or death.*

8) DEBT COLLECTION SECTION

c) Cost of collection

ii) *All legal cost including attorney and client costs incurred in the recovery of arrears which shall be debited against such customer.*

iii) *The cost incurred in demanding payment from such customer and for reminding him/her by means of, telephone, fax, e-mail, letter or otherwise the payment is due, provided that in respect of an incidental credit agreement, default administration and collection charges may only be charged on condition that they do not exceed the applicable limit permissible in terms of the National Credit Act, No 34 of 2005, in the event of the customer concern defaulting on a payment obligation*

under such agreement and provided that proper notice in terms of this Act has been given.

Annexure A

BUSINESS

The following table was deleted and replaced with point 1 & 2:

	PAYMENT OF ARREARS
1 st default in any twelve month cycle:	25% of outstanding amount plus current account. Balance over maximum of 3 months Deposit adjusted to 3 months consumption.
2 nd default in any twelve month cycle:	Full outstanding plus current account. No arrangements. Deposit adjusted to 3 months consumption.
3 rd default in any twelve month cycle:	Deposit adjusted to 3 months consumption. Weekly cash payments based on consumption plus contribution to increased deposit.

1. *No arrangements for businesses;*
2. *If any arrangements , should strictly be approved by the CFO*

2.6.1.4 – Indigent policy

The policy has been reviewed resulting in some minor changes to it. The following new insertions were made:

2. EXTENT OF INDIGENT SUPPORT

- 2.1. *Subsidies will be limited to, water-, refuse removal-, electricity, sewerage disposal services, and sundry fire.*
- 3.16. *The conversion to Pre-Paid Meters of Indigent Households will be recoverable from the Equitable Share Grant.*

3. ARREARS ON INDIGENT ACCOUNTS

The following was deleted:

- 4.2. *Arrears related to housing instalments or rent will be recovered through the electricity prepaid - meter.*

7. OTHER CATEGORIES OF INDIGENCE

7.3 Municipal Crèches

- 7.3.1 *All crèches registered with the Municipality and SASSA(South African Social Security Agency) where more than 50% of the membership (parents of registered children) are Indigent will qualify for the subsidy in terms of Council's Indigent Policy. The subsidy will be restricted to the subsidization of all basic services water, sewerage and refuse. The total subsidy will not exceed the total monthly municipal account as contained in the tariff list.*

- 7.3.2 *The onus will be on the Principal of the Crèche to submit proof to Council of the number of members registered as indigents in terms of the Council's Indigent Policy. This must be done through submission of ID numbers of the members (parents of registered children) qualifying*

and an affidavit in respect of the total number of members (parents) and the list of children belonging to the crèche.

2.6.1.5 – Asset Management policy

The Asset Management Policy has been revised and tabled as a new policy document. The structure, outdated content and additions deemed necessary for inclusion was of such a vast nature that it was deemed necessary to draft a new policy in entirely rather than merely making changes to the existing one.

The following is a summary of the major amendments made to the asset management policy of George Municipality:

➤ ***Structural changes***

One of the main reasons for tabling the Asset Management Policy as an entirely new document is due to the fact that the old version had serious structural shortcomings. The format, order and layout of the policy required remodelling. Summary of structural changes made:

- *Index better developed, more clearly defined*
- *Layout more user friendly*
- *Structure and format adjusted to ensure ease of use*

➤ ***Content Corrections***

Over the course of time certain changes have occurred that need to be adjusted accordingly in the Policy. These include:

- *The accounting standard used has changed from GAMAP to GRAP (Generally Recognised Accounting Practice).*
- *Certain asset types and lives have been adjusted in the Asset Lives Table (Annexure A).*
- *The threshold for qualification as a fixed asset had been adjusted (see page 33). Originally the threshold amount was R10, 000. This has been amended to a R1, 000 level with a discretionary value bracket between R500 and R1, 000 on which a decision may be made for each specific instance.*

➤ ***Additions***

The following has been added to the content of the policy:

- *The role of Directors, with regard to asset management, has been defined and added.*
- *Asset related standard operating procedures drafted and attached as annexures.*

2.7 – Budget Assumptions

Budgets are prepared in an environment of uncertainty. To prepare meaningful budgets, assumptions need to be made about internal and external factors that could influence the budget. Documentation of the assumptions used in preparing the budget assists understanding of the information. This section provides a comprehensive summary of all the assumptions used in preparing the budget.

2.7.1 – National Treasury MFMA Circular No 66 & 67

This Circular was issued on 11 December 2012 and 12 March 2013 respectively, and it provides further guidance to municipalities for the preparation of the 2013/14 budget and MTREF and was used in preparing this budget. A copy of the Circulars is attached as an Annexure to this document.

2.7.2 – Inflation Outlook

In MFMA Circular No. 67, inflation forecasts are estimated at 5.6%, 5.4% and 5.4% respectively for the years 2013 to 2015.

2.7.3 – Rates, tariffs, charges and timing of revenue collection

The rates, tariffs and charges for the 2013/14 budget are included in Annexure.

The following table shows the assumed average percentage increases built into the MTREF for rates tariffs and charges;

	2013/14	2014/15	2015/16
Rates	8%	6%	6%
Tariffs : Water	8%	6%	6%
Sewerage	8%	6%	6%
Electricity	6.5%	8%	8%
Cleansing	8%	6%	6%
General Charges	8%	6%	6%

The cash flow statement shows when rates and tariffs are expected to be collected over the financial year. In general terms, the timing of rates, tariffs and charges is based on the following;

Rates	Annual billing in July. Interim billing throughout the year
Tariffs	Monthly billing. On-going prepayment meters. Seasonal fluctuations.
Charges	Generally steady state throughout the financial year with seasonal fluctuations.

TARIFF CHANGES SUGGESTED FOR 2013/14

Rates Tariff

The new General Valuation roll came into effect during the 2012/13 financial year. The appeal process in respect of the General Valuation is currently underway. There are two supplementary valuations to be undertaken during the current year.

After the outcome of the objections were made available, ±630 appeal forms were received. The process to handle the appeal forms by the Valuation

Appeal Board was delayed due to the appointment of the chairman and members after their term expired.

The chairman and members were appointed from 1 December 2012 until 30 November 2016. The valuation appeal court sessions started on 10 April 2013 and will be completed once all the cases have been concluded.

The total values of the valuation rolls for 2012/2013 are as follows:

General Valuation Roll 2011	R38,621,389,200
Objections – General Valuation Roll 2011	-R1,796,801,100
Appeals – General Valuation Roll 2011	Still to be decided on by Appeal Court
First Supplementary Valuation Roll 2012/2013	R141,785,300
Objection – First Supplementary Valuation Roll 2012/2013	-R61,496,100
Appeals – First Supplementary Valuation Roll 2012/2013	Still to be decided on by Appeal Court
Second Supplementary Valuation Roll 2012/2013	-R147,539,200
Second Supplementary Valuation Roll 2012/2013	Still in process.

The reason for the decrease in valuations as a result of SV2 2012/2013 is mainly due to the valuation of both the body corporate properties that were registered as sectional scheme units and the main property. To rectify this duplication, the valuation of the “original erf” had to be reduced with the value of the “original erf”. The bulk of the corrections emanating from the GV were included in the supplementary valuation rolls.

Water Tariff

All consumers will again receive the first 6kl of consumption free. George Municipality is reassessing the basic charge for water service to ensure that it is cost reflective of the fixed costs components needed to deliver water to the consumers.

Electricity Tariff

The proposed introduction of the Inclining Block Tariffs for domestic / residential customers that NERSA proposed to be implemented by Municipalities as from 01 July 2011 is not supported, as it has more disadvantages than advantages for the financial sustainability of the service and the municipality.

A written submission has been submitted to NERSA to oppose the implementation of Inclining Block Tariffs, which response on our proposal is still awaited. This matter should be finalised before the approval of the final budget.

George Municipality Tariffs versus the DMA Tariffs

The Budget Committee has decided to continue with differentiated tariffs within the former DMA area as we recognise that the standard of services there differ with services of the town of George.

Thus the percentage increase of tariffs will be applicable to the area as well and that there will be no equalisation of tariffs. There is a continued income shortfall of R16 115 000 that will be recovered from the Equitable Share Grant.

Capital Contribution

The proposed increases in capital contributions are as follows:

Electricity	:	8%
Public Open Space	:	8%
Water	:	8%
Refuse	:	8%
Sewerage	:	8%
Uniondale en Haarlem	:	8%

2.7.4 – Collection rates for each revenue source and customer type

The municipality has a credit control and debt collection policy in place which is vigorously enforced. The indigent policy helps households who struggle to pay their accounts by providing them with subsidised services.

The following bad debt provisions and collection rates are assumed in the MTREF for rates and tariffs.

	2013/14	2014/15	2015/16
Provision for bad and doubtful debts Table A4: Debt impairment	R22m	R29.1m	R31.2m
Assumed collection rate	95%	97%	98%

2.7.5 – Price movements on specifics e.g. bulk purchases

The following amounts are included in the MTREF for increases in bulk purchases;

	2013/14	2014/15	2015/16
ESKOM Table A4: Bulk purchases	R302m	R326m	R352m

2.7.6 – Average salary increases

The MTREF includes the following average percentage increases for wages and salary and for councillors' allowances;

	2013/14	2014/15	2015/16
Councillors & Staff	7%	6%	6%

2.7.7 – Industrial relations climate, reorganisation and capacity building

The ability of the Municipality to deliver quality services is virtually entirely dependent on its staff. Failure by the Municipality to invest in its staff to ensure that the capacity and skills exist to meet the challenges being faced by George will ultimately mean a failure to deliver services.

The Municipality has made the following amounts available for training over the MTREF period.

	2013/14	2014/15	2015/16
Training Budget	R700 000	R800 000	R850 000

2.7.8 – Trends in demand for free or subsidised basic services

George's criteria for supporting free or subsidised basic services are set out in the Indigent Policy. The Government allocates revenue via the Equitable Share grant with the primary aim of assisting municipalities with the costs of providing free or subsidised basic services. Any costs over and above the Equitable Share allocation are met by the Municipality.

2.7.9 – Ability of the municipality to spend and deliver on the programmes

By end April 2013, the Municipality has spent R76,7 million out of an adjusted capital budget of R153.3 million, equating to 50% of the total budget. Against the original budget of R150.9 million the spending is 51%.

Spending is monitored closely throughout the year and Directors must ensure that capital programmes are supported by robust planning. The Municipality is currently reviewing its capital planning processes and will soon implement the capital rating and ranking programme of Ignite Advisory Service.

The SDBIP includes monthly cash flows of expenditure and is used as the basis for budget monitoring. Monthly Section 71 meetings with portfolio councillor, municipal manager, directors and the budget office also forms part of the monitoring tool and directorates must give reasons for poor performance and over spending and put corrective measures in place.

2.7.10 – Implications of restructuring and other major events in the future

Council approved a new organisational structure that reduced the number of directorates from eight to seven. Community Safety was combined with Environmental Affairs to establish the new directorate namely Community Services. Minor changes to the micro structure were also made. These changes were made to streamline service delivery and to affect savings.

The wage curve negotiations are in process but the implementation date is not clear at this stage. Certain legal issues need to be finalized before any implementation can take place.

2.7 – Other Supporting documents

2.7.1 Investment Particulars by Type

Table 34 – SA15: Investment Particulars by Type

Investment type R thousand	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Parent municipality									
Securities - National Government	-	-	-	-	-	-	-	-	-
Listed Corporate Bonds	-	-	-	-	-	-	-	-	-
Deposits - Bank	-	-	-	-	-	-	-	-	-
Deposits - Public Investment Commissioners	-	-	-	-	-	-	-	-	-
Deposits - Corporation for Public Deposits	-	-	-	-	-	-	-	-	-
Bankers Acceptance Certificates	-	-	-	-	-	-	-	-	-
Negotiable Certificates of Deposit - Banks	-	-	-	-	-	-	-	-	-
Guaranteed Endowment Policies (sinking)	-	-	-	-	-	-	-	-	-
Repurchase Agreements - Banks	-	-	-	-	-	-	-	-	-
Municipal Bonds	-	-	-	-	-	-	-	-	-
Municipality total	-	-	-	-	-	-	-	-	-

The municipality does not have any investments.

2.7.2 Borrowings

Table 35 – SA17: Borrowing

Borrowing - Categorised by type R thousand	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Budget Year		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	2013/14	+1 2014/15	+2 2015/16
Parent municipality									
Long-Term Loans (annuity/reducing balance)	487,384	520,870	487,034	453,031	452,531	452,531	468,125	445,950	412,302
Long-Term Loans (non-annuity)	–	–	–	–	–	–	–	–	–
Local registered stock	–	–	–	–	–	–	–	–	–
Instalment Credit	–	–	–	–	–	–	–	–	–
Financial Leases	–	–	–	9,650	5,350	5,350	17,970	5,200	2,600
PPP liabilities	–	–	–	–	–	–	–	–	–
Finance Granted By Cap Equipment Supplier	–	–	–	–	–	–	–	–	–
Marketable Bonds	–	–	–	–	–	–	–	–	–
Non-Marketable Bonds	–	–	–	–	–	–	–	–	–
Bankers Acceptances	–	–	–	–	–	–	–	–	–
Financial derivatives	–	–	–	–	–	–	–	–	–
Other Securities	–	–	–	–	–	–	–	–	–
Total Borrowing	487,384	520,870	487,034	462,681	457,881	457,881	486,095	451,150	414,902
Unspent Borrowing - Categorised by type									
Parent municipality									
Long-Term Loans (annuity/reducing balance)	–	–	–	–	–	–	–	–	–
Long-Term Loans (non-annuity)	2,996	20,291	–	–	–	–	–	–	–
Local registered stock	–	–	–	–	–	–	–	–	–
Instalment Credit	–	–	–	–	–	–	–	–	–
Financial Leases	–	–	–	–	–	–	–	–	–
PPP liabilities	–	–	–	–	–	–	–	–	–
Finance Granted By Cap Equipment Supplier	–	–	–	–	–	–	–	–	–
Marketable Bonds	–	–	–	–	–	–	–	–	–
Non-Marketable Bonds	–	–	–	–	–	–	–	–	–
Bankers Acceptances	–	–	–	–	–	–	–	–	–
Financial derivatives	–	–	–	–	–	–	–	–	–
Other Securities	–	–	–	–	–	–	–	–	–
Total Unspent Borrowing	2,996	20,291	–	–	–	–	–	–	–

2.7.3 Grants and subsidies

Table 36 – SA18: Transfers and grants receipt

Description R thousand	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Budget Year		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	2013/14	+1 2014/15	+2 2015/16
RECEIPTS:									
Operating Transfers and Grants									
National Government:	44,793	67,735	77,276	88,100	88,867	88,867	189,671	156,798	159,673
Local Government Equitable Share	43,527	59,340	72,201	80,370	80,370	80,370	85,716	92,615	101,174
Finance Management	750	1,000	1,064	1,250	1,250	1,250	1,300	1,450	1,500
Municipal Systems Improvement	400	750	790	800	800	800	890	934	967
Expanded Public Works Programme	117	–	1,551	736	2,373	2,373	2,285	–	–
Electricity Demand Side Grant	–	4,062	–	–	–	–	5,000	5,000	5,000
Municipal Drought Relief Grant	–	2,583	–	–	–	–	–	–	–
Infrastructure Skills Development	–	–	–	2,742	1,872	1,872	3,000	4,452	4,719
Municipal Infrastructure Grant - PMU	–	–	1,670	2,202	2,202	2,202	2,091	1,898	2,002
Public Transport Network Operating Grant	–	–	–	–	–	–	89,389	50,449	44,311
Neighbourhood Development Partnership Grant	–	–	–	–	–	–	–	–	–
Provincial Government:	10,270	71,747	79,404	45,292	53,236	53,236	57,053	16,109	7,260
Housing	5,791	61,593	68,524	19,955	25,590	25,590	25,510	–	–
Proclaimed Roads	229	325	175	13,415	15,415	15,415	24,545	4,000	–
Local Government Masterplanning Grant	1,000	396	–	396	396	396	396	600	600
Housing Consumer Education	200	–	–	–	–	–	–	–	–
Feasibility study for Bulk Water Study	–	–	–	–	–	–	–	–	–
Library Grant	783	1,018	1,240	1,364	1,364	1,364	1,602	6,509	1,660
Community Development Workers Operating Grant	72	149	206	162	162	162	–	–	–
AMP's and Technical Audit Grant	80	–	–	–	–	–	–	–	–
Lawaaikamp Artificial Soccer Pitch	500	–	–	–	–	–	–	–	–
Spatial Development Framework	–	–	–	–	–	–	–	–	–
Flood Damage - Housing	1,615	3,000	–	–	–	–	–	–	–
Cleanest Town Competition	–	120	–	–	–	–	–	–	–
Greenest Town Competition	–	–	60	–	–	–	–	–	–
Integrated Public Transport Grant	–	–	9,000	10,000	10,000	10,000	5,000	5,000	5,000
Financial Management Support Grant	–	–	200	–	200	200	–	–	–
Thusong Services Centres Grant	–	–	–	–	109	109	–	–	–
Swimming Pool Grant - Heather Park	–	147	–	–	–	–	–	–	–
Provincial Contribution towards the Acceleration of the Transformation	–	5,000	–	–	–	–	–	–	–
District Municipality:	–	500	–	–	–	–	–	–	–
<i>Storm Water Master Planning Grant</i>	–	500	–	–	–	–	–	–	–
Other grant providers:	3,258	2,509	3,545	16,402	16,402	16,402	500	500	500
<i>Storm Water Master Planning (DBSA)</i>	936	197	–	–	–	–	–	–	–
<i>DWAF</i>	1,612	1,788	2,253	2,880	2,880	2,880	–	–	–
<i>LGSETA</i>	687	524	1,292	500	500	500	500	500	500
<i>SANRALL - N2/York Street bridge widening</i>	–	–	–	13,022	13,022	13,022	–	–	–
<i>African Skills Village</i>	23	–	–	–	–	–	–	–	–
Total Operating Transfers and Grants	58,321	142,492	160,225	149,794	158,505	158,505	247,224	173,407	167,433
Capital Transfers and Grants									
National Government:	41,571	115,692	46,663	54,500	55,370	52,370	137,354	102,875	102,233
Municipal Infrastructure Grant (MIG)	12,399	22,174	34,639	41,842	41,842	41,842	39,724	36,070	38,044
Finance Management	–	–	186	–	–	–	–	–	–
Flood Damage	–	–	–	–	–	–	–	–	–
Regional Bulk Infrastructure	7,000	17,163	5,499	3,000	3,000	–	–	–	–
Public Transport and Systems	–	–	–	–	–	–	–	–	–
Municipal Drought Relief Grant	15,000	72,417	–	–	–	–	–	–	–
Municipal Infrastructure Disaster Grant	–	–	–	–	–	–	–	–	–
Integrated National Electrification Programme	–	2,000	5,349	8,400	8,400	8,400	6,000	5,000	8,500
Electricity Demand Side Grant	7,172	1,938	–	–	–	–	–	–	–
Infrastructure Skills Development	–	–	–	258	1,128	1,128	–	–	–
Finance Management	–	–	–	–	–	–	–	–	–
Expanded Public Works Programme	–	–	990	1,000	1,000	1,000	1,000	–	–
Neighbourhood Development Grant	–	–	–	–	–	–	–	–	–
Public Transport Infrastructure Grant	–	–	–	–	–	–	90,630	61,805	55,689
Provincial Government:	5,196	12,927	13,867	21,500	42,000	42,000	49,495	1,500	–
Housing	2,723	2,999	4,867	20,000	40,500	40,500	47,995	–	–
Mobility Strategy	2,474	9,900	2,000	–	–	–	–	–	–
Proclaimed Roads	–	–	–	–	–	–	–	–	–
Khulani Woman's Project	–	–	–	–	–	–	–	–	–
Library Grant	–	28	–	–	–	–	–	–	–
George Integrated Public Transport Network	–	–	7,000	1,500	1,500	1,500	1,500	1,500	–
District Municipality:	200	–	–	–	–	–	–	–	–
<i>Electrification - DMA Area</i>	200	–	–	–	–	–	–	–	–
Other grant providers:	–	–	29	–	4,000	4,000	–	–	–
<i>SWD Cricket</i>	–	–	29	–	–	–	–	–	–
<i>Youth Development against Violence through Sport</i>	–	–	–	–	3,000	3,000	–	–	–
<i>National Lotteries Board</i>	–	–	–	–	1,000	1,000	–	–	–
Total Capital Transfers and Grants	46,967	128,619	60,559	76,000	101,370	98,370	186,849	104,375	102,233
TOTAL RECEIPTS OF TRANSFERS & GRANTS	105,288	271,111	220,784	225,794	259,875	256,875	434,073	277,782	269,666

Table 37 – SA19: Expenditure on transfers and grants

Description R thousand	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue &		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
EXPENDITURE:									
Operating expenditure of Transfers and Grants									
National Government:	46,133	67,491	82,227	88,100	89,485	89,485	189,671	156,798	159,673
Local Government Equitable Share	43,527	59,340	72,201	80,370	80,370	80,370	85,716	92,615	101,174
Finance Management	2,291	1,516	2,676	1,250	1,250	1,250	1,300	1,450	1,500
Municipal Systems Improvement	315	398	1,227	800	800	800	890	934	967
Expanded Public Works Programme	–	–	933	736	2,990	2,990	2,285	–	–
Electricity Demand Side Grant	–	3,654	3,520	–	–	–	5,000	5,000	5,000
Municipal Drought Relief Grant	–	2,583	–	–	–	–	–	–	–
Infrastructure Skills Development	–	–	–	2,742	1,872	1,872	3,000	4,452	4,719
Municipal Infrastructure Grant - PMU	–	–	1,670	2,202	2,202	2,202	2,091	1,898	2,002
Public Transport Network Operating Grant	–	–	–	–	–	–	89,389	50,449	44,311
Neighbourhood Development Partnership Grant	–	–	–	–	–	–	–	–	–
Provincial Government:	11,297	66,952	68,323	45,292	45,609	43,609	76,053	16,109	7,260
Housing	5,791	63,439	65,873	19,955	25,590	25,590	25,510	–	–
Proclaimed Roads	229	325	175	13,415	15,415	15,415	24,545	4,000	–
Local Government Masterplanning Grant	1,650	396	–	396	396	396	396	600	600
Housing Consumer Education	470	116	–	–	–	–	–	–	–
Community Development Workers Operating Grant	130	174	122	162	246	246	–	–	–
Feasibility study for Bulk Water Study	–	–	–	–	–	–	–	–	–
Library Grant	783	938	1,131	1,364	1,397	1,397	1,602	6,509	1,660
AMP's and Technical Audit Grant	80	–	–	–	–	–	–	–	–
Lawaalikamp Artificial Soccer Pitch	500	–	–	–	–	–	–	–	–
Spatial Development Framework	50	63	262	–	–	–	–	–	–
Flood Damage - Housing	1,615	1,476	515	–	–	–	–	–	–
Cleanest Town Competition	–	25	–	–	–	–	–	–	–
Greenest Town Competition	–	–	60	–	95	95	–	–	–
Integrated Public Transport Grant	–	–	–	10,000	2,000	–	24,000	5,000	5,000
Financial Management Support Grant	–	–	39	–	361	361	–	–	–
Thusong Services Centres Grant	–	–	–	–	109	109	–	–	–
Swimming Pool Grant - Heather Park	–	–	147	–	–	–	–	–	–
Provincial Contribution towards the Acceleration of Hou	–	–	–	–	–	–	–	–	–
District Municipality:	350	500	197	–	–	–	–	–	–
Storm Water Master Planning Grant	350	500	197	–	–	–	–	–	–
Other grant providers:	3,258	2,312	3,491	16,402	16,402	16,402	500	500	500
Storm Water Master Planning (DBSA)	936	–	–	–	–	–	–	–	–
African Skills Village	23	–	–	–	–	–	–	–	–
DWAF	1,612	1,788	2,199	2,880	2,880	2,880	–	–	–
SANRALL - N2/York Street bridge widening	–	–	–	13,022	13,022	13,022	–	–	–
LGSETA	687	524	1,292	500	500	500	500	500	500
Total operating expenditure of Transfers and Grants:	61,038	137,255	154,239	149,794	151,496	149,496	266,224	173,407	167,433
Capital expenditure of Transfers and Grants									
National Government:	84,627	60,775	44,139	65,600	63,832	49,732	148,745	102,875	102,233
Municipal Infrastructure Grant (MIG)	12,399	13,371	37,434	41,842	40,283	40,283	39,724	36,070	38,044
Finance Management	–	675	186	–	–	–	–	–	–
Flood Damage	–	–	–	–	–	–	–	–	–
Regional Bulk Infrastructure	7,000	8,000	180	14,100	14,100	–	11,390	–	–
Public Transport and Systems	–	–	–	–	–	–	–	–	–
Municipal Drought Relief Grant	54,363	32,013	–	–	–	–	–	–	–
Municipal Infrastructure Disaster Grant	6,462	44	–	–	–	–	–	–	–
Integrated National Electrification Programme	–	1,776	5,349	8,400	7,321	7,321	6,000	5,000	8,500
Electricity Demand Side Grant	4,286	4,895	–	–	–	–	–	–	–
Infrastructure Skills Development	–	–	–	258	1,128	1,128	–	–	–
Expanded Public Works Programme	117	–	990	1,000	1,000	1,000	1,000	–	–
Neighbourhood Development Grant	–	–	–	–	–	–	–	–	–
Public Transport Infrastructure Grant	–	–	–	–	–	–	90,630	61,805	55,689
Provincial Government:	3,592	10,851	12,040	30,900	58,616	58,616	41,995	1,500	–
Housing	2,158	2,999	4,867	20,000	48,000	48,000	40,495	–	–
Mobility Strategy	1,102	7,824	7,173	2,400	1,881	1,881	–	–	–
Proclaimed Roads	–	–	–	–	–	–	–	–	–
Khulani Woman's Project	332	–	–	–	80	80	–	–	–
Library Grant	–	28	–	–	155	155	–	–	–
George Integrated Public Transport Network	–	–	–	8,500	8,500	8,500	1,500	1,500	–
District Municipality:	–	–	–	–	402	402	–	–	–
Electrification: Eden	–	–	–	–	200	200	–	–	–
Refuse Transfer Station	–	–	–	–	202	202	–	–	–
Other grant providers:	–	–	29	–	4,000	4,000	–	–	–
SWD Cricket	–	–	29	–	–	–	–	–	–
Youth Development against Violence though Sport	–	–	–	–	3,000	3,000	–	–	–
National Lotteries Board	–	–	–	–	1,000	1,000	–	–	–
Total capital expenditure of Transfers and Grants	88,219	71,626	56,208	96,500	126,850	112,750	190,739	104,375	102,233
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	149,257	208,881	210,447	246,294	278,346	262,246	456,963	277,782	269,666

Table 38 – SA20: Reconciliation of transfers, grants receipts and unspent funds

Description R thousand	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue &		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Operating transfers and grants:									
National Government:									
Balance unspent at beginning of the year	4,344	2,888	2,457	–	(2,494)	(2,494)	(3,112)	–	–
Current year receipts	44,677	67,061	77,276	88,100	88,867	88,867	189,671	156,798	159,673
Conditions met - transferred to revenue	46,133	67,491	82,227	88,100	89,484	89,484	186,559	156,798	159,673
Conditions still to be met - transferred to liabilities	2,888	2,457	(2,494)	–	(3,112)	(3,112)	–	–	–
Provincial Government:									
Balance unspent at beginning of the year	(11,606)	(12,181)	(7,375)	–	9,620	9,620	19,248	–	–
Current year receipts	11,910	71,747	79,404	45,292	53,236	53,236	57,053	16,109	7,260
Conditions met - transferred to revenue	12,485	66,936	68,076	45,292	45,608	43,608	76,301	16,109	7,260
Conditions still to be met - transferred to liabilities	(12,181)	(7,369)	3,953	–	17,248	19,248	–	–	–
District Municipality:									
Balance unspent at beginning of the year	350	–	–	–	–	–	–	–	–
Current year receipts	–	500	–	–	–	–	–	–	–
Conditions met - transferred to revenue	350	500	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities	–	–	–	–	–	–	–	–	–
Other grant providers:									
Balance unspent at beginning of the year	–	–	(361)	–	–	–	–	–	–
Current year receipts	3,258	2,509	3,545	16,402	16,402	16,402	–	–	–
Conditions met - transferred to revenue	3,235	2,870	3,688	16,402	16,402	16,402	–	–	–
Conditions still to be met - transferred to liabilities	23	(361)	(504)	–	–	–	–	–	–
Total operating transfers and grants revenue	62,203	137,797	153,991	149,794	151,495	149,495	262,860	172,907	166,933
Total operating transfers and grants - CTBM	(9,270)	(5,273)	955	–	14,136	16,136	–	–	–
Capital transfers and grants:									
National Government:									
Balance unspent at beginning of the year	6,819	(43,928)	7,532	–	8,752	8,752	11,390	–	–
Current year receipts	41,688	116,367	46,663	54,500	55,370	52,370	137,354	102,875	102,233
Conditions met - transferred to revenue	92,435	64,908	45,442	54,500	52,732	49,732	148,744	102,875	102,233
Conditions still to be met - transferred to liabilities	(43,928)	7,532	8,752	–	11,390	11,390	–	–	–
Provincial Government:									
Balance unspent at beginning of the year	4,018	5,057	7,133	9,400	9,115	9,115	(7,500)	–	–
Current year receipts	9,905	12,927	13,867	21,500	42,000	42,000	49,495	1,500	–
Conditions met - transferred to revenue	8,866	10,851	12,040	30,900	58,615	58,615	41,995	1,500	–
Conditions still to be met - transferred to liabilities	5,057	7,133	8,960	–	(7,500)	(7,500)	–	–	–
District Municipality:									
Balance unspent at beginning of the year	202	202	202	–	402	402	–	–	–
Current year receipts	200	200	200	–	–	–	–	–	–
Conditions met - transferred to revenue	–	–	–	–	402	402	–	–	–
Conditions still to be met - transferred to liabilities	402	402	402	–	–	–	–	–	–
Other grant providers:									
Balance unspent at beginning of the year	–	–	–	–	–	–	–	–	–
Current year receipts	–	–	29	–	4,000	4,000	–	–	–
Conditions met - transferred to revenue	–	–	29	–	4,000	4,000	–	–	–
Conditions still to be met - transferred to liabilities	–	–	–	–	–	–	–	–	–
Total capital transfers and grants revenue	101,301	75,759	57,511	85,400	115,750	112,750	190,739	104,375	102,233
Total capital transfers and grants - CTBM	(38,468)	15,067	18,115	–	3,890	3,890	–	–	–
TOTAL TRANSFERS AND GRANTS REVENUE	163,504	213,555	211,502	235,194	267,245	262,244	453,599	277,282	269,166
TOTAL TRANSFERS AND GRANTS - CTBM	(47,738)	9,794	19,070	–	18,026	20,026	–	–	–

Table 39 – SA21: Transfers and grants made by the municipality

Description R thousand	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue &		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
<u>Cash Transfers to other Organs of State</u>										
Merit Awards - Schools	33	31	32	40	44	44	44	44	44	44
Total Cash Transfers To Other Organs Of State:	33	31	32	40	44	44	44	44	44	44
<u>Cash Transfers to Organisations</u>										
Gifts	361	205	–	200	73	73	73	100	100	100
SPCA	1,065	1,057	1,018	1,020	1,010	1,010	1,010	1,010	1,023	1,035
Festivals	617	–	–	–	155	155	155	1,000	1,000	1,000
Total Cash Transfers To Organisations	2,043	1,262	1,018	1,220	1,238	1,238	1,238	2,110	2,123	2,135
<u>Cash Transfers to Groups of Individuals</u>										
Bursaries	181	252	138	164	164	164	164	164	164	164
Rugby Sevens	3,250	3,560	–	–	–	–	–	–	–	–
Decretionary Fund	–	20	–	–	–	–	–	–	–	–
Total Cash Transfers To Groups Of Individuals:	3,432	3,831	138	164	164	164	164	164	164	164
TOTAL CASH TRANSFERS AND GRANTS	5,508	5,124	1,188	1,424	1,446	1,446	1,446	2,318	2,331	2,343
<u>Non-Cash Grants to Groups of Individuals</u>										
Equitable share	–	–	–	587	–	–	–	–	–	–
Total Non-Cash Grants To Groups Of Individuals:	–	–	–	587	–	–	–	–	–	–
TOTAL NON-CASH TRANSFERS AND GRANTS	–	–	–	587	–	–	–	–	–	–
TOTAL TRANSFERS AND GRANTS	5,508	5,124	1,188	2,011	1,446	1,446	1,446	2,318	2,331	2,343

2.7.4 Councillors and employee benefits

The total remuneration has increased from R277 million to R309 million. The increase of R32 million can be contributed to:

- Salary increase of 7% for councillors and employees,
- Provision for temporary staff members of R7.7 million; and
- The implementation of TASK during the 2012/13 financial year.

Table 40 – SA22: Summary of councillor and staff benefits

Summary of Employee and Councillor remuneration R thousand	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
	A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)									
Basic Salaries and Wages	6,132	6,824	9,158	10,457	10,457	10,457	11,484	12,288	13,148
Pension and UIF Contributions	714	729	685	682	682	682	730	781	835
Medical Aid Contributions	115	84	108	126	126	126	135	144	154
Motor Vehicle Allowance	2,323	2,538	3,232	3,486	3,486	3,486	3,828	4,096	4,383
Cellphone Allowance	474	516	684	721	721	721	775	830	888
Housing Allowances	–	–	–	–	–	–	–	–	–
Other benefits and allowances	–	–	–	–	–	–	–	–	–
Sub Total - Councillors	9,758	10,691	13,868	15,472	15,472	15,472	16,952	18,139	19,408
% increase		9.6%	29.7%	11.6%	–	–	9.6%	7.0%	7.0%
Senior Managers of the Municipality									
Basic Salaries and Wages	6,230	5,534	4,145	7,700	7,700	7,700	10,184	10,896	11,659
Pension and UIF Contributions	–	–	–	–	–	–	–	–	–
Medical Aid Contributions	–	–	–	–	–	–	–	–	–
Overtime	–	–	–	–	–	–	–	–	–
Performance Bonus	624	(14)	587	1,155	1,155	1,155	–	–	–
Motor Vehicle Allowance	–	–	–	–	–	–	–	–	–
Cellphone Allowance	–	–	–	–	–	–	–	–	–
Housing Allowances	–	–	–	–	–	–	–	–	–
Other benefits and allowances	–	–	–	–	–	–	–	–	–
Payments in lieu of leave	–	–	–	–	–	–	–	–	–
Long service awards	–	–	–	–	–	–	–	–	–
Post-retirement benefit obligations	–	–	–	–	–	–	–	–	–
Sub Total - Senior Managers of Municipality	6,854	5,519	4,732	8,855	8,855	8,855	10,184	10,896	11,659
% increase		(19.5%)	(14.3%)	87.1%	–	–	15.0%	7.0%	7.0%
Other Municipal Staff									
Basic Salaries and Wages	113,692	123,347	134,188	157,194	155,185	155,185	178,207	189,192	202,172
Pension and UIF Contributions	19,444	21,619	23,710	27,929	27,929	27,929	29,511	31,084	33,261
Medical Aid Contributions	7,274	8,655	9,840	14,877	14,877	14,877	15,530	16,569	17,729
Overtime	11,425	13,775	16,666	12,499	15,703	15,703	16,709	17,882	19,136
Performance Bonus	319	134	–	–	–	–	–	–	–
Motor Vehicle Allowance	6,992	7,799	8,622	9,480	9,629	9,629	10,725	10,782	11,537
Cellphone Allowance	518	510	631	443	460	460	677	461	494
Housing Allowances	1,426	1,271	1,328	1,246	1,246	1,246	1,174	1,276	1,365
Other benefits and allowances	17,108	17,445	18,710	15,397	15,575	15,575	15,662	17,678	18,861
Payments in lieu of leave	13,655	10,048	10,739	11,542	11,542	11,542	12,412	13,136	14,056
Long service awards	810	919	796	1,124	1,124	1,124	1,203	1,288	1,378
Post-retirement benefit obligations	20,222	17,731	18,919	–	–	–	–	–	–
Sub Total - Other Municipal Staff	212,886	223,254	244,147	251,731	253,270	253,270	281,810	299,347	319,989
% increase		4.9%	9.4%	3.1%	0.6%	–	11.3%	6.2%	6.9%
TOTAL SALARY, ALLOWANCES & BENEFITS	229,498	239,464	262,748	276,057	277,597	277,597	308,946	328,382	351,056
% increase		4.3%	9.7%	5.1%	0.6%	–	11.3%	6.3%	6.9%
TOTAL MANAGERS AND STAFF	219,740	228,773	248,879	260,586	262,125	262,125	291,994	310,243	331,648

Table 41 – SA23: Salaries, allowances and benefits (political office bearers/councillors and senior managers)

Disclosure of Salaries, Allowances & Benefits 1.	No.	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum			1.				2.
Councillors							
Speaker	1	430,324		164,704			595,028
Chief Whip	1	430,324		164,704			595,028
Executive Mayor	1	537,905		221,918			759,823
Deputy Executive Mayor	1	430,324		164,704			595,028
Executive Committee	9	3,630,858		1,401,653			5,032,512
Total for all other councillors	36	6,024,541	864,460	2,485,674			9,374,676
Total Councillors	49	11,484,276	864,460	4,603,358			16,952,095
Senior Managers of the Municipality							
Municipal Manager (MM)	1	1,691,000	–	–	–		1,691,000
Chief Finance Officer	1	1,477,000	–	–	–		1,477,000
Director: Civil Engineering	1	1,403,100	–	–	–		1,403,100
Director: Electro-technical Services	1	1,403,100	–	–	–		1,403,100
Director: Corporate Services	1	1,403,100	–	–	–		1,403,100
Director: Community Services	1	1,403,100	–	–	–		1,403,100
<i>List of each official with packages >= senior manager</i>							
Director: Human Settlements and Planning	1	1,403,100	–	–	–		1,403,100
Total Senior Managers of the Municipality	7	10,183,500	–	–	–		10,183,500
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION	56	21,667,776	864,460	4,603,358	–		27,135,595

Table 42 – SA24: Summary of personnel numbers

Summary of Personnel Numbers	Ref	2011/12			Current Year 2012/13			Budget Year 2013/14		
		1,2	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees
Municipal Council and Boards of Municipal Entities										
Councillors (Political Office Bearers plus Other Councillors)		49	–	49	49	–	49	49	–	49
Board Members of municipal entities	4	–	–	–	–	–	–	–	–	–
Municipal employees	5									
Municipal Manager and Senior Managers	3	8	–	4	8	–	5	7	–	7
Other Managers	7	–	–	–	–	–	–	–	–	–
Professionals		62	51	–	62	51	–	66	57	–
Finance		8	6	–	8	6	–	9	7	–
Spatial/town planning		8	7	–	8	7	–	8	7	–
Information Technology		1	–	–	1	–	–	2	1	–
Roads		–	–	–	–	–	–	–	–	–
Electricity		5	5	–	5	5	–	5	5	–
Water		2	2	–	2	2	–	2	2	–
Sanitation		4	4	–	4	4	–	4	4	–
Refuse		1	1	–	1	1	–	1	1	–
Other		33	26	–	33	26	–	35	30	–
Technicians		136	122	–	171	135	–	201	181	–
Finance		32	28	–	34	30	–	35	30	–
Spatial/town planning		31	28	–	31	28	–	31	28	–
Information Technology		2	2	–	3	2	–	3	3	–
Roads		3	3	–	5	3	–	5	4	–
Electricity		15	12	–	25	15	–	23	21	–
Water		10	8	–	10	8	–	25	22	–
Sanitation		8	8	–	8	8	–	8	8	–
Refuse		–	–	–	–	–	–	–	–	–
Other		35	33	–	55	41	–	71	65	–
Clerks (Clerical and administrative)		202	195	–	222	215	–	200	195	–
Service and sales workers		–	–	–	–	–	–	–	–	–
Skilled agricultural and fishery workers		–	–	–	–	–	–	–	–	–
Craft and related trades		–	–	–	–	–	–	–	–	–
Plant and Machine Operators		250	234	–	260	251	–	270	269	–
Elementary Occupations		385	348	–	386	350	–	281	278	–
TOTAL PERSONNEL NUMBERS	9	1,092	950	53	1,158	1,002	54	1,074	980	56
% increase					6.0%	5.5%	1.9%	(7.3%)	(2.2%)	3.7%
Total municipal employees headcount	6, 10	973	844	53	1,020	877	54	938	852	–
Finance personnel headcount	8, 10	98	92	–	119	108	–	118	110	–
Human Resources personnel headcount	8, 10	21	14	–	19	17	–	18	18	–

2.7.5 Monthly targets for revenue, expenditure and cash flow

Table 43 – SA25: Budgeted monthly revenue and expenditure by revenue source and expenditure type

Description R thousand	Budget Year 2013/14												Medium Term Revenue and Expenditure		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Revenue By Source															
Property rates	189,648	(52)	(941)	(30,744)	(91)	(73)	(63)	(894)	16	1,894	154	80	158,933	165,289	175,207
Property rates - penalties & collection charges	415	425	543	498	453	467	475	444	253	408	419	413	5,212	5,309	5,412
Service charges - electricity revenue	40,640	34,979	37,149	35,872	36,201	36,224	35,285	36,147	35,927	32,857	32,153	50,841	444,276	468,792	496,899
Service charges - water revenue	15,317	5,326	7,530	7,679	7,198	7,976	8,671	7,949	7,415	6,867	6,855	(2,060)	86,723	90,124	95,532
Service charges - sanitation revenue	54,173	7,699	258	(197)	524	387	395	361	435	330	363	(8,508)	56,220	58,428	61,933
Service charges - refuse revenue	39,828	7,280	110	(190)	23	8	57	57	114	(95)	109	(8,564)	38,736	40,318	42,737
Service charges - other	364	0	(2)	1	1	1	2	0	2	2	2	1	373	396	419
Rental of facilities and equipment	962	168	148	97	60	102	94	99	105	113	130	115	2,192	2,330	2,470
Interest earned - external investments	–	1,303	1,347	2,674	1,334	1,356	1,282	1,573	–	1,380	1,368	256	13,872	14,704	15,586
Interest earned - outstanding debtors	319	327	383	375	490	340	394	343	356	333	327	318	4,305	4,563	4,837
Dividends received												–	–	–	–
Fines	1,819	1,282	1,694	1,648	1,678	1,208	1,871	2,247	2,504	1,885	2,363	2,301	22,499	23,581	23,925
Licences and permits	256	274	167	30	184	185	216	298	193	214	309	127	2,454	2,601	2,758
Agency services	449	1,018	(426)	629	858	162	1,879	(205)	133	363	1,254	420	6,534	6,906	6,982
Transfers recognised - operational	1,155	757	723	647	643	352	538	557	555	602	502	255,407	262,438	166,068	161,709
Other revenue	10,206	10,060	12,315	10,013	10,013	10,661	11,454	10,285	10,013	10,237	10,131	(101,340)	14,049	14,079	14,585
Gains on disposal of PPE												–	–	–	–
Total Revenue (excluding capital transfers and contributions)	355,551	70,847	60,997	29,032	59,569	59,355	62,550	59,261	58,020	57,389	56,439	189,807	1,118,817	1,063,488	1,110,990
Expenditure By Type															
Employee related costs	22,513	25,658	25,231	25,463	25,658	25,565	26,671	26,795	24,755	24,831	24,684	14,168	291,994	310,243	331,648
Remuneration of councillors	1,287	1,402	1,345	1,345	1,345	1,345	1,822	1,424	1,773	1,288	1,288	1,289	16,952	18,139	19,408
Debt impairment	167	167	167	167	167	167	167	167	167	167	167	167	20,167	22,000	31,200
Depreciation & asset impairment	8,794	8,794	8,794	8,794	8,794	8,794	8,794	5,274	8,372	8,794	7,989	8,236	100,225	95,888	89,430
Finance charges	125	125	125	125	125	25,592	125	125	125	125	125	125	24,695	51,536	47,599
Bulk purchases	18	33,303	49,018	21,100	22,668	21,701	21,267	21,724	18,687	18,813	14,315	59,235	301,850	325,998	352,078
Other materials	11	14	23	13	17	19	14	8	12	9	20	77	238	238	238
Contracted services	12,490	13,986	19,021	14,435	18,761	22,648	13,212	15,329	17,117	18,691	18,100	26,572	210,362	103,600	94,783
Transfers and grants	134	178	107	93	217	946	181	–	121	5	161	175	2,318	2,331	2,343
Other expenditure	11,906	15,012	18,552	15,881	15,202	15,698	12,863	14,329	12,461	12,539	9,409	22,599	176,450	183,253	191,264
Loss on disposal of PPE												–	–	–	–
Total Expenditure	57,445	98,639	122,383	87,416	92,954	122,475	85,117	85,176	83,589	85,262	76,257	177,212	1,173,924	1,116,389	1,155,716
Surplus/(Deficit)	298,106	(27,792)	(61,386)	(58,384)	(33,385)	(63,120)	(22,567)	(25,914)	(25,569)	(27,872)	(19,818)	12,594	(55,108)	(52,901)	(44,726)
Transfers recognised - capital	7,928	7,928	7,928	7,928	7,928	7,928	7,928	7,928	7,928	7,928	7,928	70,340	157,542	103,484	96,271
Contributions recognised - capital	288	26	1,548	147	141	848	101	819	372	909	162	1,259	6,620	7,018	7,439
Contributed assets												–	–	–	–
Surplus/(Deficit)	306,321	(19,839)	(51,910)	(50,309)	(25,316)	(54,345)	(14,538)	(17,168)	(17,270)	(19,036)	(11,729)	84,194	109,055	57,601	58,984

Table 44 – SA26: Budgeted monthly revenue and expenditure by municipal vote

R thousand	Description	Budget Year 2013/14												Medium Term Revenue and Expenditure		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Revenue by Vote																
	Vote 1 - Office of the Municipal Manager	59	56	59	61	72	58	57	60	60	57	57	88	742	464	486
	Vote 2 - Corporate Services	44	70	38	32	45	25	30	40	39	29	40	57	489	518	549
	Vote 3 - Corporate Services	273	27	31	31	31	679	50	303	37	263	156	28	1,910	939	463
	Vote 4 - Community Services	3,033	2,673	2,539	2,475	2,861	1,708	3,947	2,487	2,948	2,512	4,063	3,149	34,397	40,274	36,341
	Vote 5 - Community Services	359	535	1,423	376	388	327	1,986	338	329	332	338	2,152	8,883	8,117	4,996
	Vote 6 - Community Services	40,087	7,529	401	70	281	276	314	321	374	183	362	10,691	60,889	64,051	68,965
	Vote 7 - Human Settlements, Land Affairs & Planning	1,607	433	627	315	236	204	244	284	384	470	244	41,142	46,191	5,614	5,946
	Vote 8 - Civil Engineering Services	86,641	29,954	26,124	24,577	24,798	25,870	26,093	25,842	25,064	24,923	24,230	130,021	474,138	364,873	362,016
	Vote 9 - Electrotechnical Services	41,021	35,333	37,640	36,228	36,559	36,822	35,700	36,707	36,362	33,277	32,563	68,555	466,767	491,785	524,824
	Vote 10 - Financial Services	190,261	1,710	1,087	(27,510)	1,870	1,775	1,720	1,139	316	3,782	2,041	4,871	183,060	191,394	204,048
	Vote 11 - Financial Services	382	479	503	452	495	386	439	486	406	398	435	651	5,514	5,962	6,067
	Total Revenue by Vote	363,766	78,800	70,473	37,107	67,637	68,131	70,579	68,008	66,319	66,226	64,528	261,406	1,282,979	1,173,990	1,214,700
Expenditure by Vote to be appropriated																
	Vote 1 - Office of the Municipal Manager	4,788	6,105	5,955	6,174	7,228	7,586	5,921	6,698	5,864	6,036	5,385	(9,261)	58,479	57,553	60,681
	Vote 2 - Corporate Services	1,262	1,364	1,390	1,380	1,503	3,079	1,325	1,417	1,341	1,268	1,403	3,389	20,121	21,044	21,995
	Vote 3 - Corporate Services	2,869	1,463	1,255	1,498	1,444	1,410	1,078	1,614	1,116	1,105	1,200	1,609	17,660	17,520	18,528
	Vote 4 - Community Services	3,859	5,225	4,827	4,935	5,098	5,678	5,414	5,066	4,857	4,954	5,150	7,187	62,250	65,426	68,843
	Vote 5 - Community Services	1,638	2,388	2,136	2,187	2,448	4,329	2,800	2,948	2,418	2,829	2,021	4,106	32,249	32,923	31,189
	Vote 6 - Community Services	2,883	3,830	3,738	3,937	3,725	4,153	4,732	4,495	3,647	3,584	4,105	9,533	52,361	52,717	55,583
	Vote 7 - Human Settlements, Land Affairs & Planning	4,438	4,133	8,732	4,073	8,325	7,400	3,119	4,343	7,562	7,676	7,365	11,545	78,711	38,212	39,745
	Vote 8 - Civil Engineering Services	26,814	28,765	32,025	30,179	28,392	49,222	27,124	23,925	26,823	27,589	24,063	57,666	382,586	326,098	320,313
	Vote 9 - Electrotechnical Services	5,062	40,832	56,224	28,381	30,435	35,344	29,103	29,809	26,209	25,606	21,477	81,336	409,819	439,762	470,444
	Vote 10 - Financial Services	2,684	2,963	3,169	3,375	2,769	2,975	3,199	3,221	2,720	2,614	2,871	8,760	41,320	46,119	48,509
	Vote 11 - Financial Services	1,148	1,570	2,933	1,298	1,587	1,299	1,303	1,638	1,033	2,000	1,218	1,342	18,368	19,015	19,887
	Total Expenditure by Vote	57,445	98,639	122,383	87,416	92,954	122,475	85,117	85,176	83,589	85,262	76,257	177,212	1,173,924	1,116,389	1,155,716
	Surplus/(Deficit)	306,321	(19,839)	(51,910)	(50,309)	(25,316)	(54,345)	(14,538)	(17,168)	(17,270)	(19,036)	(11,729)	84,194	109,055	57,601	58,984

Table 45 – SA27: Budgeted monthly revenue and expenditure by standard classification

Description R thousand	Budget Year 2013/14												Medium Term Revenue and Expenditure		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Revenue - Standard															
<i>Governance and administration</i>	192,099	2,249	1,577	(27,076)	2,410	2,861	2,200	1,934	732	4,407	2,566	5,532	191,492	199,234	211,558
Executive and council	19	17	20	22	33	20	18	21	18	18	18	19	245	26	27
Budget and treasury office	190,559	2,114	1,427	(27,184)	2,340	2,085	2,085	1,556	624	4,063	2,311	5,415	187,395	196,105	208,790
Corporate services	1,521	118	129	86	37	756	96	357	90	326	236	98	3,852	3,103	2,742
<i>Community and public safety</i>	2,823	2,074	4,593	2,362	2,283	1,779	4,123	2,855	3,110	2,432	3,052	45,808	77,295	41,119	33,638
Community and social services	129	143	1,552	112	120	69	120	113	98	98	104	259	2,917	7,916	3,158
Sport and recreation	265	411	1,357	277	293	266	1,905	258	262	256	261	2,087	7,897	7,107	3,935
Public safety	2,263	1,319	1,440	1,757	1,758	1,286	1,944	2,335	2,570	1,880	2,441	2,392	23,387	23,790	24,104
Housing	114	105	192	155	55	105	103	98	128	147	194	41,027	42,424	1,628	1,729
Health	51	97	51	61	58	51	51	51	51	51	51	44	670	677	710
<i>Economic and environmental services</i>	17,079	17,644	16,121	16,930	17,289	16,507	18,116	16,376	16,685	16,988	17,739	58,131	245,604	141,527	124,687
Planning and development	416	394	581	312	292	201	242	282	379	453	221	273	4,046	4,080	4,327
Road transport	16,660	17,247	15,537	16,615	16,994	16,303	17,871	16,091	16,303	16,531	17,516	57,855	241,523	137,413	120,325
Environmental protection	3	3	3	3	3	3	3	3	3	3	3	3	34	35	35
<i>Trading services</i>	151,764	56,831	48,181	44,891	45,653	46,983	46,139	46,841	45,788	42,398	41,170	151,932	768,571	792,091	844,798
Electricity	41,021	35,333	37,640	36,228	36,559	36,822	35,700	36,707	36,362	33,277	32,563	68,555	466,767	491,785	524,824
Water	16,102	5,968	8,916	8,408	7,915	9,053	9,383	8,911	8,213	7,940	7,551	18,014	116,374	116,193	124,183
Waste water management	54,582	8,029	1,251	212	926	860	770	931	867	1,025	721	54,699	124,874	120,418	127,209
Waste management	40,059	7,501	374	43	253	248	286	293	346	155	334	10,663	60,556	63,695	68,583
<i>Other</i>	2	1	1	1	1	1	1	2	4	1	1	2	17	18	19
Total Revenue - Standard	363,766	78,800	70,473	37,107	67,637	68,131	70,579	68,008	66,319	66,226	64,528	261,406	1,282,979	1,173,990	1,214,700

Description R thousand	Budget Year 2013/14												Medium Term Revenue and Expenditure		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Expenditure - Standard															
<i>Governance and administration</i>	12,466	13,248	14,566	13,421	14,159	14,227	12,661	13,873	11,644	12,585	11,351	3,892	148,093	152,976	161,004
Executive and council	4,047	4,578	4,170	4,414	4,554	5,067	4,941	5,279	4,602	4,088	4,094	(11,529)	38,306	37,902	40,091
Budget and treasury office	3,535	4,841	6,743	5,062	5,922	5,231	4,406	4,573	3,358	4,701	3,889	10,666	62,926	67,433	70,910
Corporate services	4,883	3,829	3,653	3,946	3,682	3,929	3,314	4,021	3,684	3,796	3,369	4,755	46,861	47,640	50,004
<i>Community and public safety</i>	8,626	10,234	14,154	9,720	14,315	17,406	9,602	11,246	13,351	13,706	12,858	22,292	157,511	120,131	122,271
Community and social services	1,140	1,303	1,310	1,348	1,279	3,070	1,535	1,402	1,439	1,356	1,486	3,421	20,089	20,925	21,803
Sport and recreation	974	1,480	1,312	1,375	1,451	3,201	1,484	1,582	1,661	1,588	1,265	2,741	20,114	20,446	18,169
Public safety	2,681	3,935	3,552	3,698	3,873	4,338	4,118	3,789	3,607	3,735	3,854	5,631	46,811	48,908	51,361
Housing	3,501	2,982	7,560	2,888	7,103	6,092	1,932	3,571	6,251	6,309	5,891	9,651	63,732	23,034	23,860
Health	331	535	421	412	608	704	531	903	393	717	361	848	6,764	6,818	7,079
<i>Economic and environmental services</i>	18,203	19,563	20,821	21,047	20,488	33,518	18,768	17,700	18,244	19,728	18,244	25,594	251,919	188,930	178,503
Planning and development	1,208	1,345	1,316	1,496	1,520	1,592	1,310	1,474	1,594	1,840	1,973	2,365	19,034	20,080	21,174
Road transport	16,697	17,876	19,185	19,238	18,609	31,587	16,854	15,884	16,335	17,588	15,962	22,842	228,657	164,383	152,628
Environmental protection	299	342	320	314	359	339	603	342	314	300	310	387	4,228	4,466	4,701
<i>Trading services</i>	17,943	55,341	72,633	43,005	43,757	56,986	43,856	42,150	40,136	39,022	33,508	125,185	613,522	651,688	691,125
Electricity	4,805	40,485	55,894	28,049	30,112	34,995	28,748	29,455	25,884	25,287	21,138	80,648	405,498	435,263	465,753
Water	6,047	7,367	7,354	6,218	7,230	11,499	6,698	6,389	8,029	7,413	6,385	12,088	92,719	95,722	99,677
Waste water management	4,591	4,108	6,099	5,288	3,144	6,774	4,200	2,237	3,039	3,189	2,289	23,503	68,460	73,820	76,327
Waste management	2,500	3,382	3,286	3,451	3,271	3,718	4,210	4,068	3,185	3,133	3,696	8,946	46,845	46,882	49,369
<i>Other</i>	207	253	208	222	235	338	230	206	214	221	296	250	2,879	2,665	2,812
Total Expenditure - Standard	57,445	98,639	122,383	87,416	92,954	122,475	85,117	85,176	83,589	85,262	76,257	177,212	1,173,924	1,116,389	1,155,716
Surplus/(Deficit)	306,321	(19,839)	(51,910)	(50,309)	(25,316)	(54,345)	(14,538)	(17,168)	(17,270)	(19,036)	(11,729)	84,194	109,055	57,601	58,984

Table 46 – SA28: Budgeted monthly capital expenditure by municipal vote

Description R thousand	Budget Year 2013/14												Medium Term Revenue and Expenditure		
	July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Multi-year expenditure to be appropriated															
Vote 1 - Office of the Municipal Manager	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Corporate Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 4 - Community Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 5 - Community Services	-	-	-	-	-	-	-	-	-	-	-	1,600	1,600	-	-
Vote 6 - Community Services	-	-	-	-	-	-	-	-	-	-	-	-	-	1,000	8,000
Vote 7 - Human Settlements, Land Affairs & Planning	-	-	-	-	-	6,000	-	-	-	-	-	-	6,000	11,500	16,500
Vote 8 - Civil Engineering Services	-	-	-	-	24,506	83,330	14,284	-	8,000	-	3,589	-	133,709	109,520	129,620
Vote 9 - Electrotechnical Services	-	-	-	500	5,663	-	-	-	-	-	400	2,000	8,563	16,786	11,456
Vote 10 - Financial Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 - Financial Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	-	-	-	500	30,169	89,330	14,284	-	8,000	-	3,989	3,600	149,872	138,806	165,576
Single-year expenditure to be appropriated															
Vote 1 - Office of the Municipal Manager	-	-	-	50	-	-	-	2,550	-	-	-	-	2,600	565	-
Vote 2 - Corporate Services	-	20	5	160	20	50	-	200	-	-	130	-	585	290	-
Vote 3 - Corporate Services	-	-	50	150	170	250	-	-	-	-	-	-	620	560	-
Vote 4 - Community Services	-	15	75	1,550	350	1,800	140	200	-	-	1,750	-	5,880	6,500	-
Vote 5 - Community Services	-	-	500	1,320	1,100	400	250	400	500	600	800	1,700	7,570	5,813	3,000
Vote 6 - Community Services	-	-	-	-	-	-	2,500	20	350	100	5,600	-	8,570	6,280	2,100
Vote 7 - Human Settlements, Land Affairs & Planning	-	-	-	-	255	500	850	313	830	-	-	-	2,748	5,200	500
Vote 8 - Civil Engineering Services	-	-	1,070	7,460	1,305	1,090	18,352	15,350	10,882	1,600	380	250	57,739	36,418	27,500
Vote 9 - Electrotechnical Services	-	-	1,600	1,630	2,300	3,900	1,420	510	1,700	1,000	-	-	14,060	14,462	15,375
Vote 10 - Financial Services	-	-	450	300	-	30	-	-	-	-	-	-	780	280	280
Vote 11 - Financial Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total	-	35	3,750	12,620	5,500	8,020	23,512	19,543	14,262	3,300	8,660	1,950	101,152	76,368	48,755
Total Capital Expenditure	-	35	3,750	13,120	35,669	97,350	37,796	19,543	22,262	3,300	12,649	5,550	251,024	215,174	214,331

Table 47 – SA29: Budgeted monthly capital expenditure by standard classification

Description R thousand	Budget Year 2013/14												Medium Term Revenue and Expenditure		
	July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Capital Expenditure - Standard															
<i>Governance and administration</i>	-	-	1,040	1,080	1,325	2,130	-	2,750	-	-	-	-	8,325	4,335	1,890
Executive and council	-	-	-	50	-	-	-	2,550	-	-	-	-	2,600	565	-
Budget and treasury office	-	-	450	300	-	30	-	-	-	-	-	-	780	280	280
Corporate services	-	-	590	730	1,325	2,100	-	200	-	-	-	-	4,945	3,490	1,610
<i>Community and public safety</i>	-	20	580	3,280	2,460	9,000	1,240	913	1,330	-	2,680	3,300	24,803	30,983	22,000
Community and social services	-	20	5	160	10	-	500	-	500	-	130	-	1,325	5,860	500
Sport and recreation	-	-	500	1,320	1,100	400	250	400	500	-	800	3,300	8,570	5,423	3,000
Public safety	-	-	75	1,800	1,100	2,100	140	200	-	-	1,750	-	7,165	3,500	2,000
Housing	-	-	-	-	250	6,500	350	313	330	-	-	-	7,743	16,200	16,500
Health	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>	-	15	-	3,500	20,000	75,933	8,060	9,740	6,182	600	-	-	124,030	87,483	84,968
Planning and development	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Road transport	-	15	-	3,500	20,000	75,933	8,060	9,740	6,182	-	-	-	123,430	87,183	84,968
Environmental protection	-	-	-	-	-	-	-	-	-	600	-	-	600	300	-
<i>Trading services</i>	-	-	2,130	5,260	11,884	10,287	28,496	6,140	14,750	2,700	9,969	2,250	93,866	92,373	105,473
Electricity	-	-	1,060	1,550	6,823	2,100	1,420	510	1,700	1,000	400	2,000	18,563	28,338	25,221
Water	-	-	100	600	4,531	370	10,092	3,730	200	550	30	250	20,453	14,419	24,161
Waste water management	-	-	970	3,110	530	7,817	14,484	1,880	12,500	1,050	3,939	-	46,280	42,336	45,991
Waste management	-	-	-	-	-	-	2,500	20	350	100	5,600	-	8,570	7,280	10,100
<i>Other</i>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Standard	-	35	3,750	13,120	35,669	97,350	37,796	19,543	22,262	3,300	12,649	5,550	251,024	215,174	214,331

Table 48 – SA30: Budgeted monthly cash flow

MONTHLY CASH FLOWS R thousand	Budget Year 2013/14												Medium Term Revenue and Expenditure			
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16	
Cash Receipts By Source																
Property rates	20,967	28,365	37,243	7,398	7,398	7,398	6,485	6,138	7,398	7,398	7,398	7,398	1	150,987	157,025	166,446
Property rates - penalties & collection charges	261	156	730	156	156	156	104	208	208	208	730	2,137	5,212	5,309	5,412	
Service charges - electricity revenue	39,970	36,847	40,334	40,288	40,196	40,703	38,179	40,012	39,551	37,709	36,669	40,473	470,932	496,920	526,713	
Service charges - water revenue	6,988	6,056	7,454	6,988	7,081	8,565	8,435	8,637	8,852	7,314	8,435	7,119	91,926	95,532	101,264	
Service charges - sanitation revenue	4,990	4,990	5,230	4,990	4,990	4,990	4,465	4,990	4,990	4,990	4,990	4,990	59,593	61,933	65,649	
Service charges - refuse revenue	3,730	3,730	3,589	3,137	3,323	3,614	3,323	3,323	3,323	3,323	3,323	3,323	41,060	42,737	45,302	
Service charges - other	32	32	47	32	32	32	32	32	32	32	32	32	396	419	444	
Rental of facilities and equipment	426	176	117	176	192	213	122	171	122	128	181	171	2,192	2,330	2,470	
Interest earned - external investments	1,110	1,110	1,248	1,110	1,110	1,248	1,110	1,110	1,248	1,110	1,110	1,248	13,872	14,704	15,586	
Interest earned - outstanding debtors	365	365	411	365	365	411	365	365	411	365	365	411	4,563	4,837	5,127	
Dividends received	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	
Fines	1,874	1,113	2,782	1,484	2,782	2,430	1,484	2,616	1,484	1,484	1,484	1,484	22,499	23,581	23,581	
Licences and permits	196	196	221	196	221	196	196	221	196	221	196	196	2,454	2,601	2,758	
Agency services	523	588	523	523	523	588	523	523	588	523	523	588	6,534	6,906	6,982	
Transfer receipts - operational	28,794	11,518	4,759	3,839	7,678	23,035	3,839	3,839	26,874	23,035	23,035	30,714	190,960	157,280	156,671	
Other revenue	1,148	1,148	1,148	1,148	1,148	1,148	1,148	1,148	1,148	1,148	1,148	1,424	14,049	14,079	14,585	
Cash Receipts by Source	111,373	96,390	105,836	71,830	77,195	94,728	69,809	73,332	96,425	88,988	89,617	101,707	1,077,229	1,086,193	1,138,990	
Other Cash Flows by Source																
Transfer receipts - capital	18,646	17,713	7,458	5,594	16,781	22,375	14,916	22,375	22,968	7,458	13,984	11,187	181,455	107,273	105,235	
Contributions recognised - capital & Contributed assets	66	–	63	6	1	725	331	530	199	1,655	1,655	1,390	6,620	7,018	7,439	
Proceeds on disposal of PPE	157	–	–	2,564	79	236	157	236	236	79	236	1,022	5,000	15,000	10,000	
Short term loans	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	
Borrowing long term/refinancing	–	–	17,970	–	–	–	–	–	46,610	–	–	–	64,580	56,150	58,289	
Increase (decrease) in consumer deposits	(71)	(218)	279	(307)	166	371	595	(26)	202	178	129	684	1,982	1,585	1,807	
Decrease (Increase) in non-current debtors	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	
Decrease (increase) other non-current receivables	(500)	(6,385)	(13,850)	7,100	(33,650)	(3,485)	5,500	(14,350)	13,210	4,750	4,010	42,650	5,000	5,000	5,000	
Decrease (increase) in non-current investments	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	
Total Cash Receipts by Source	129,671	107,500	117,757	86,786	60,572	114,949	91,308	82,096	179,850	103,108	109,631	158,640	1,341,867	1,278,219	1,326,760	

MONTHLY CASH FLOWS R thousand	Budget Year 2013/14												Medium Term Revenue and Expenditure			
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16	
Cash Payments by Type																
Employee related costs	22,631	22,631	22,631	22,631	43,154	22,631	22,631	22,631	22,631	22,631	22,631	22,631	292,094	310,343	331,748	
Remuneration of councillors	1,413	1,413	1,413	1,413	1,413	1,413	1,413	1,413	1,413	1,413	1,413	1,413	16,952	18,139	19,408	
Finance charges			1,250			24,518					1,250		24,518	51,536	47,599	43,325
Bulk purchases - Electricity	29,461	30,185	29,249	30,185	16,602	16,300	16,300	15,998	27,770	30,185	30,185	29,430	301,850	325,998	352,078	
Bulk purchases - Water & Sewer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other materials	4	5	64	7	8	8	26	8	8	17	36	48	238	238	238	
Contracted services	9,300	8,921	9,007	21,526	23,824	23,615	12,602	21,526	27,795	17,416	17,416	17,416	210,362	103,600	94,783	
Transfers and grants - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Transfers and grants - other	307	307	314	118	118	243	110	314	103	118	133	133	2,318	2,331	2,343	
Other expenditure	10,078	11,281	12,345	14,690	14,567	16,272	13,776	12,993	17,210	12,096	15,530	25,612	176,450	183,253	191,264	
Cash Payments by Type	73,193	74,743	76,273	90,569	99,685	105,001	66,858	74,882	96,930	85,124	87,342	121,199	1,051,799	991,501	1,035,186	
Other Cash Flows/Payments by Type																
Capital assets	2,473	2,524	10,196	15,295	18,795	20,393	16,295	20,393	30,589	35,383	34,089	43,575	250,000	210,000	211,000	
Repayment of borrowing			873			15,405					873		19,215	36,366	40,145	38,848
Other Cash Flows/Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Cash Payments by Type	75,665	77,266	87,343	105,864	118,480	140,799	83,153	95,275	127,519	121,380	121,431	183,989	1,338,166	1,241,646	1,285,034	
NET INCREASE/(DECREASE) IN CASH HELD																
Cash/cash equivalents at the month/year begin:	205,966	259,971	290,205	320,618	301,540	243,632	217,782	225,937	212,758	265,089	246,817	235,017	205,966	209,667	246,240	
Cash/cash equivalents at the month/year end:	259,971	290,205	320,618	301,540	243,632	217,782	225,937	212,758	265,089	246,817	235,017	209,667	246,240	287,966		

2.7.6 External mechanisms

Table 49 – SA32: List of external mechanisms

External mechanism Name of organisation	Yrs/ Mths	Period of agreement 1. Number	Service provided	Expiry date of service delivery agreement or contract	Monetary value of agreement 2.
					R thousand
Southern Ambition 239 cc and A&V Civils	Yrs	3	Clearing of private plots and cutting grass	30 June 2014	2,200
Combo Sign (PTY) Ltd	Yrs	3	Supply and Maintenance of Street refuse containers	31 October 2014	522
H2O Plumbers	Yrs	3	Plumbing Maintenance of Municipal buildings	31 October 2014	250
ME Smit Enterprises	Yrs	2	Operation and maintenance of George Swimming pool	31 January 2013	194
Suiderkruis Security (PTY) Ltd	Yrs	3	Supply and maintenance of CCTV Surveillance System and Equipment	31 October 2014	983
Light-Bi Construction & Maintenance	Yrs	3	Preventative Maintenance on 11 000 volt Ring Main Units	30 June 2014	200
V & V Consulting Engineers (PTY) Ltd	Yrs	3	Consulting engineers to update Pavement Management System	30 December 2014	234
Lithotech Afric Mail a Division of Bidvest Paperplus (PTY) Ltd	Yrs	3	Printing of Monthly accounts	31 January 2015	1,943
Sebata Municipal Solutions (PTY) Ltd	Yrs	3	Reading of Water / Electricity meters	31 January 2015	2,040
Vox Orion (PTY) Ltd	Yrs	3	Cell Phone call routing	31 March 2015	900
Youth for Christ Southern Cape	Yrs	1	Management of Centre for children living on streets	30 June 2013	280
Dylon's General Construction	Yrs	1	Installation of Sewer Connections	30 June 2013	150
CD Emmie Construction	Yrs	1	Installation of Sewer Connections	30 June 2013	150
Ernst & Young Advisory Services	Yrs	3	Internal Audit function/services	30 November 2012	2,500
SBV Services (PTY) Ltd	Yrs	2	Transportation of Cash per year	31 October 2014	22
Margot Swiss International (PTY) Ltd	Yrs	1	Supply of soup products	31 August 2013	1,471
Borchards Contractors	Yrs	3	Collection of recyclable waste	30 June 2015	5,370
A & V Civil cc	Yrs	2	Maintenance: Spraying of Sidewalks	30 June 2014	816
Magic Moppers Mowers and Movers	Yrs	2	Maintenance: Spraying of Sidewalks	30 June 2014	749
Voluway (PTY) Ltd	Yrs	2	Maintenance: Manual machines	30 June 2014	354
Forest Tree Nursery	Yrs	2	Maintenance: Manual machines	30 June 2014	517
Forest Tree Nursery	Yrs	2	Maintenance: Flowerbeds and Young trees	30 June 2014	396
Eco Projects	Yrs	2	Maintenance: Flowerbeds and Young trees	30 June 2014	407
Konica Minolta	Yrs	3	Lease of Multi-functional copier per month	28 October 2015	2
Nashua George	Yrs	3	Lease of Multi-functional copier per month	42326	1

Table 50 – SA33: Contracts having future budgetary implications

Description R thousand	Ref 1,3	Preceding Years 2012/13	Current Year 2012/13	2013/14 Medium Term Revenue & Expenditure Framework			Forecast 2016/17	Forecast 2017/18	Forecast 2018/19	Forecast 2019/20	Forecast 2020/21	Forecast 2021/22	Forecast 2022/23	Total Contract Value
				Total	Original Budget	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
Parent Municipality: <u>Revenue Obligation By Contract</u>	2			–	–	–	–	–	–	–	–	–	–	–
Contract 1				–	–	–	–	–	–	–	–	–	–	–
Contract 2				–	–	–	–	–	–	–	–	–	–	–
Contract 3 etc				–	–	–	–	–	–	–	–	–	–	–
Total Operating Revenue Implication				–	–	–	–	–	–	–	–	–	–	–
Expenditure Obligation By Contract	2			–	–	–	–	–	–	–	–	–	–	–
Contract 1				–	–	–	–	–	–	–	–	–	–	–
Contract 2				–	–	–	–	–	–	–	–	–	–	–
Contract 3 etc				–	–	–	–	–	–	–	–	–	–	–
Total Operating Expenditure Implication				–	–	–	–	–	–	–	–	–	–	–
Capital Expenditure Obligation By Contract	2			–	–	–	–	–	–	–	–	–	–	–
Contract 1				–	–	–	–	–	–	–	–	–	–	–
Contract 2				–	–	–	–	–	–	–	–	–	–	–
Contract 3 etc				–	–	–	–	–	–	–	–	–	–	–
Total Capital Expenditure Implication				–	–	–	–	–	–	–	–	–	–	–
Total Parent Expenditure Implication				–	–	–	–	–	–	–	–	–	–	–

References

1. Total implication for all preceding years to be summed and total stated in 'Preceding Years' column
2. List all contracts with future financial obligations beyond the three years covered by the MTREF (MFMA s33)
cost greater than R1million. For municipalities with approved total revenue greater than R500 m - all contracts with an annual cost greater than R5 million

The municipality does not have any contracts beyond three years.

2.7.7 Capital expenditure details

The following three tables present details of the Municipality's capital expenditure programme.

Table 51 – SA34a: Capital Expenditure on new assets by asset class

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue &		
		1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		172,890	101,452	81,922	103,562	113,921	113,921	104,930	86,634	81,061
Infrastructure - Road transport		19,870	12,749	6,585	15,448	16,621	16,621	40,625	22,463	18,279
Roads, Pavements & Bridges		15,821	12,539	3,603	14,571	15,744	15,744	39,443	22,413	18,279
Storm water		4,049	209	2,982	877	877	877	1,182	50	–
Infrastructure - Electricity		51,598	35,461	32,441	21,829	19,981	19,981	15,756	25,440	21,806
Generation		–	–	–	–	–	–	–	–	–
Transmission & Reticulation		50,783	30,066	32,034	20,569	19,496	19,496	14,456	23,440	19,806
Street Lighting		815	5,395	406	1,260	485	485	1,300	2,000	2,000
Infrastructure - Water		82,750	40,222	16,928	27,824	33,536	33,536	14,818	9,601	18,611
Dams & Reservoirs		497	649	233	12,810	75	75	10,092	1,600	10,000
Water purification		–	–	–	–	–	–	–	–	–
Reticulation		82,252	39,573	16,694	15,014	33,461	33,461	4,726	8,001	8,611
Infrastructure - Sanitation		18,672	13,021	23,571	28,961	36,933	36,933	33,731	29,129	22,365
Reticulation		18,160	6,114	17,217	18,236	24,102	24,102	30,731	29,129	22,365
Infrastructure - Other		(0)	(0)	2,397	9,500	6,850	6,850	–	–	–
Waste Management		–	–	–	–	–	–	–	–	–
Transportation		–	–	–	–	–	–	–	–	–
Gas		–	–	–	–	–	–	–	–	–
Other		(0)	(0)	0	–	–	–	–	–	–
Community		6,997	28,295	5,911	2,000	6,049	6,049	54,795	65,030	69,189
Parks & gardens		–	–	–	100	190	190	–	100	–
Sportsfields & stadia		4,549	481	424	–	4,125	4,125	4,550	3,820	3,000
Swimming pools		–	–	–	–	–	–	–	–	–
Community halls		506	1,328	1,212	–	–	–	–	–	–
Libraries		–	65	–	–	–	–	–	–	–
Recreational facilities		–	27	–	–	–	–	–	100	–
Fire, safety & emergency		–	–	–	–	–	–	–	–	–
Security and policing		174	22,291	2,320	1,050	993	993	2,385	2,210	–
Buses		–	–	–	–	–	–	46,610	50,950	55,689
Clinics		–	–	–	–	–	–	–	–	–
Museums & Art Galleries		–	–	–	–	–	–	–	–	–
Cemeteries		–	–	–	–	–	–	–	40	–
Social rental housing		485	3,031	–	–	–	–	–	–	–
Other		1,282	1,071	1,956	850	740	740	1,250	7,810	10,500
Investment properties		–	–	–	–	40	40	–	8,500	6,000
Housing development		–	–	–	–	–	–	–	–	–
Other		–	–	–	–	40	40	–	8,500	6,000
Other assets		1,322	4,501	4,262	18,293	12,455	12,455	20,900	13,594	14,015
General vehicles		48	1,310	232	9,400	5,100	5,100	7,440	950	500
Specialised vehicles		–	–	–	–	–	–	–	–	–
Plant & equipment		596	2,078	3,692	6,364	5,560	5,560	8,670	8,134	4,760
Computers - hardware/equipment		484	206	144	569	461	461	3,490	390	405
Furniture and other office equipment		21	731	182	560	935	935	1,100	570	150
Abattoirs		–	–	–	–	–	–	–	–	–
Markets		–	–	–	–	–	–	–	–	–
Civic Land and Buildings		–	–	–	350	–	–	200	500	500
Other Buildings		–	176	14	500	300	300	–	–	–
Other Land		–	–	–	–	–	–	–	–	–
Surplus Assets - (Investment or Inventory)		–	–	–	–	–	–	–	–	–
Other		174	0	(0)	550	100	100	–	3,050	7,700
Intangibles		–	822	193	22	–	–	10,880	310	30
Computers - software & programming		–	822	193	22	–	–	10,880	310	30
Other (list sub-class)		–	–	–	–	–	–	–	–	–
Total Capital Expenditure on new assets	1	181,209	135,070	92,289	123,877	132,465	132,465	191,505	174,068	170,295
Specialised vehicles		–	–	–	–	–	–	–	–	–
Refuse		–	–	–	–	–	–	–	–	–
Fire		–	–	–	–	–	–	–	–	–
Conservancy		–	–	–	–	–	–	–	–	–
Ambulances		–	–	–	–	–	–	–	–	–
References										

1. Total Capital Expenditure on new assets (SA34a) plus Total Capital Expenditure on renewal of existing assets (SA34b) must reconcile to total capital expenditure in Budgeted Capital Expenditure.
2. Airports, Car Parks, Bus Terminals and Taxi Ranks
3. For example - technology backbones (e.g. fibre optic, WIFI infrastructure) for economic development purposes
4. Work-in-progress/under construction to be budgeted under the respective item
5. Infrastructure includes 'land and buildings required' by that infrastructure and vehicles/plant & equipment used by the service generated by that infrastructure
6. Donated/contributed & leased assets to be included within the respective sub-class
7. Busses used to provide a service to the community
8. Not municipal contributions to the 'top structure' being built using the housing subsidies
9. Statues, art collections, medals etc.
10. Ambulances, fire engines, refuse vehicles - but not vehicles that would normally be classified as 'Plant and equipment'

Table 52 – SA34b: Capital Expenditure on the renewal of assets by asset class

R thousand	Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Capital expenditure on renewal of existing assets by Asset Class/Sub-class											
	Infrastructure		52,597	1,539	17,110	19,000	17,628	17,628	37,579	31,707	40,626
	Infrastructure - Road transport		13,649	–	5,136	7,000	7,000	7,000	21,320	14,000	11,000
	Roads, Pavements & Bridges		13,649	–	5,136	7,000	7,000	7,000	21,320	14,000	11,000
	Storm water		–	–	–	–	–	–	–	–	–
	Infrastructure - Electricity		5,171	208	2,119	5,500	4,123	4,123	4,650	5,300	5,000
	Generation		–	–	–	–	–	–	–	–	–
	Transmission & Reticulation		5,171	208	2,119	5,500	4,123	4,123	4,650	5,300	5,000
	Street Lighting		–	–	–	–	–	–	–	–	–
	Infrastructure - Water		31,663	1,331	1,265	4,500	3,737	3,737	4,500	4,500	5,500
	Dams & Reservoirs		–	–	–	–	–	–	–	–	–
	Water purification		–	–	–	–	–	–	–	–	–
	Reticulation		31,663	1,331	1,265	4,500	3,737	3,737	4,500	4,500	5,500
	Infrastructure - Sanitation		2,114	–	8,590	2,000	2,769	2,769	6,809	7,907	19,126
	Reticulation		1,830	–	5,357	2,000	2,769	2,769	3,220	3,000	4,000
	Sewerage purification		284	–	3,233	–	–	–	3,589	4,907	15,126
	Infrastructure - Other		0	–	0	–	–	–	300	–	–
	Waste Management		–	–	–	–	–	–	–	–	–
	Transportation		–	–	–	–	–	–	300	–	–
	Gas		–	–	–	–	–	–	–	–	–
	Other		0	–	0	–	–	–	–	–	–
	Community		9,022	17	190	6,375	3,130	3,130	10,300	7,850	1,310
	Parks & gardens		–	–	–	–	–	–	–	–	–
	Sportsfields & stadia		8,294	–	29	2,700	3,070	3,070	4,000	320	–
	Swimming pools		–	–	147	–	–	–	–	10	–
	Community halls		–	–	–	175	60	60	–	–	–
	Libraries		–	–	–	–	–	–	–	5,000	–
	Recreational facilities		–	–	–	–	–	–	–	–	–
	Fire, safety & emergency		–	–	–	–	–	–	–	–	–
	Security and policing		–	–	–	–	–	–	–	–	–
	Buses		–	–	–	–	–	–	–	–	–
	Clinics		–	–	–	–	–	–	–	–	–
	Museums & Art Galleries		–	–	–	–	–	–	–	–	–
	Cemeteries		–	–	–	–	–	–	–	–	–
	Social rental housing		–	–	–	–	–	–	–	–	–
	Other		728	17	–	3,500	–	–	6,300	2,520	1,310
	Heritage assets		–	–	–	–	–	–	250	–	–
	Buildings		–	–	–	–	–	–	250	–	–
	Other		–	–	–	–	–	–	–	–	–
	Other assets		239	9	107	1,670	150	150	11,390	1,550	2,100
	General vehicles		–	–	–	–	–	–	2,080	–	600
	Specialised vehicles		–	–	–	1,000	–	–	8,100	1,300	1,500
	Plant & equipment		239	–	3	20	–	–	1,160	100	–
	Computers - hardware/equipment		–	9	17	–	–	–	50	150	–
	Furniture and other office equipment		–	–	86	–	–	–	–	–	–
	Abattoirs		–	–	–	–	–	–	–	–	–
	Markets		–	–	–	–	–	–	–	–	–
	Civic Land and Buildings		–	–	–	–	–	–	–	–	–
	Other Buildings		–	–	–	150	150	150	–	–	–
	Other Land		–	–	–	–	–	–	–	–	–
	Surplus Assets - (Investment or Inventory)		–	–	–	–	–	–	–	–	–
	Other		–	–	–	500	–	–	–	–	–
	Total Capital Expenditure on renewal of existing assets	1	61,858	1,565	17,406	27,045	20,908	20,908	59,519	41,107	44,036
	Specialised vehicles		–	–	–	1,000	–	–	8,100	1,300	1,500
	Refuse		–	–	–	1,000	–	–	8,100	1,300	1,500
	Fire		–	–	–	–	–	–	–	–	–
	Conservancy		–	–	–	–	–	–	–	–	–
	Ambulances		–	–	–	–	–	–	–	–	–
	Renewal of Existing Assets as % of total capex		25.4%	1.1%	15.9%	17.9%	13.6%	13.6%	23.7%	19.1%	20.5%
	Renewal of Existing Assets as % of deprecn"		77.7%	1.7%	16.3%	26.5%	19.4%	19.4%	59.4%	42.9%	49.2%

References

1. Total Capital Expenditure on renewal of existing assets (SA34b) plus Total Capital Expenditure on new assets (SA34a) must reconcile to total capital expenditure in Budgeted Capital Expenditure
2. Airports, Car Parks, Bus Terminals and Taxi Ranks
3. For example - technology backbones (e.g. fibre optic, WiFi infrastructure) for economic development purposes
4. Work-in-progress/under construction to be budgeted under the respective item
5. Infrastructure includes 'land and buildings required' by that infrastructure and vehicles/plant & equipment used by the service generated by that infrastructure
6. Donated/contributed & leased assets to be included within the respective sub-class
7. Busses used to provide a service to the community
8. Not municipal contributions to the 'top structure' being built using the housing subsidies
9. Statues, art collections, medals etc.
10. Ambulances, fire engines, refuse vehicles - but not vehicles that would normally be classified as 'Plant and equipment'

Table 53 – SA34c: Repairs and maintenance expenditure by asset class

Description R thousand	Ref 1	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		39,010	39,145	36,438	43,890	44,179	44,179	46,774	49,231	51,794
Infrastructure - Road transport		18,864	19,301	16,945	19,301	18,924	18,924	19,227	20,247	21,318
Roads, Pavements & Bridges		18,864	14,134	11,004	13,463	12,856	12,856	13,118	13,833	14,583
Storm water		–	5,167	5,940	5,838	6,068	6,068	6,109	6,414	6,735
Infrastructure - Electricity		7,182	6,688	4,977	8,070	6,204	6,204	7,882	8,324	8,771
Generation		–	–	–	–	–	–	–	–	–
Transmission & Reticulation		6,258	5,440	3,546	6,579	4,947	4,947	6,562	6,938	7,316
Street Lighting		923	1,248	1,431	1,491	1,257	1,257	1,320	1,386	1,455
Infrastructure - Water		6,307	3,506	3,667	6,849	5,604	5,604	5,770	6,070	6,385
Dams & Reservoirs		–	–	–	–	–	–	–	–	–
Water purification		216	187	243	360	423	423	483	507	532
Reticulation		6,091	3,319	3,424	6,489	5,182	5,182	5,287	5,563	5,853
Infrastructure - Sanitation		6,657	9,648	10,842	9,660	13,437	13,437	13,885	14,579	15,308
Reticulation		6,105	8,972	10,227	9,000	12,677	12,677	13,192	13,852	14,544
Sewerage purification		552	677	615	660	760	760	693	728	764
Infrastructure - Other		–	1	7	11	11	11	10	11	12
Waste Management		–	1	7	11	11	11	10	11	12
Transportation		–	–	–	–	–	–	–	–	–
Gas		–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–
Community		1,965	3,449	2,605	3,302	3,803	3,803	4,126	4,321	4,525
Parks & gardens		458	328	189	375	325	325	449	464	480
Sportsfields & stadia		335	540	621	805	797	797	837	879	923
Swimming pools		211	218	291	340	340	340	357	375	394
Community halls		–	–	3	3	0	0	3	3	4
Libraries		–	–	–	–	–	–	–	–	–
Recreational facilities		99	18	109	76	76	76	80	84	88
Fire, safety & emergency		–	–	0	1	1	1	1	1	1
Security and policing		189	189	170	255	252	252	265	278	292
Buses		–	–	–	–	–	–	–	–	–
Clinics		–	–	–	–	–	–	–	–	–
Museums & Art Galleries		–	–	–	–	–	–	–	–	–
Cemeteries		–	37	324	343	43	43	46	48	50
Social rental housing		495	1,609	109	420	455	455	489	509	530
Other		177	510	789	684	1,514	1,514	1,600	1,680	1,764
Other assets		10,073	11,379	12,225	15,418	15,495	15,495	17,607	18,426	19,367
General vehicles		3,716	2,330	3,046	3,091	4,030	4,030	4,008	4,208	4,417
Specialised vehicles		–	1,153	1,834	1,586	1,816	1,816	1,769	1,824	1,950
Plant & equipment		5,749	7,229	5,748	7,546	7,161	7,161	8,130	8,532	8,970
Computers - hardware/equipment		55	111	67	125	107	107	131	138	145
Furniture and other office equipment		274	258	1,256	2,681	1,993	1,993	3,159	3,293	3,434
Abattoirs		–	–	–	–	–	–	–	–	–
Markets		–	–	–	–	–	–	–	–	–
Civic Land and Buildings		–	–	–	–	–	–	–	–	–
Other Buildings		–	–	–	–	–	–	–	–	–
Other Land		–	–	–	–	–	–	–	–	–
Surplus Assets - (Investment or Inventory)		–	–	–	–	–	–	–	–	–
Other		279	298	275	390	390	390	410	430	451
Intangibles		1,399	1,391	1,546	2,007	1,959	1,959	2,251	2,364	2,482
Computers - software & programming		1,399	1,391	1,546	2,007	1,959	1,959	2,251	2,364	2,482
Other (list sub-class)		–	–	–						
Total Repairs and Maintenance Expenditure	1	52,446	55,364	52,814	64,618	65,436	65,436	70,758	74,341	78,168
Specialised vehicles		–	1,153	1,834	1,586	1,816	1,816	1,769	1,824	1,950
Refuse		–	854	1,448	1,260	1,340	1,340	1,270	1,300	1,400
Fire		–	299	386	326	476	476	499	524	550
Conservancy		–	–	–	–	–	–	–	–	–
Ambulances		–	–	–	–	–	–	–	–	–
R&M as a % of PPE		2.8%	3.0%	2.7%	3.4%	3.3%	3.3%	0.0%	0.0%	0.0%
R&M as % Operating Expenditure		7.3%	6.5%	5.6%	6.6%	6.4%	6.4%	6.0%	6.7%	6.8%

References

1. Total Repairs and Maintenance Expenditure by Asset Category must reconcile to total repairs and maintenance expenditure on Table SA1
2. Airports, Car Parks, Bus Terminals and Taxi Ranks
3. For example - technology backbones (e.g. fibre optic, WIFI infrastructure) for economic development purposes
4. Work-in-progress/under construction to be budgeted under the respective item
5. Infrastructure includes 'land and buildings required' by that infrastructure and vehicles/plant & equipment used by the service generated by that infrastructure
6. Donated/contributed & leased assets to be included within the respective sub-class
7. Buses used to provide a service to the community
8. Not municipal contributions to the 'top structure' being built using the housing subsidies
9. Statues, art collections, medals etc.
10. Ambulances, fire engines, refuse vehicles - but not vehicles that would normally be classified as 'Plant and equipment'

Table 54 – SA34d: Depreciation by asset class

Description R thousand	Ref 1	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Depreciation by Asset Class/Sub-class										
Infrastructure		66,843	82,442	93,284	89,971	95,394	95,394	89,681	86,845	81,948
Infrastructure - Road transport		33,460	38,484	42,005	40,113	41,854	41,854	40,333	39,138	35,858
Roads, Pavements & Bridges		33,460	38,484	42,005	40,113	41,854	41,854	40,333	39,138	35,858
Storm water		–	–	–	–	–	–	–	–	–
Infrastructure - Electricity		9,953	12,687	13,342	13,314	14,629	14,629	13,503	13,097	12,363
Generation		–	–	–	–	–	–	–	–	–
Transmission & Reticulation		9,953	12,687	13,342	13,314	14,629	14,629	13,503	13,097	12,363
Street Lighting		–	–	–	–	–	–	–	–	–
Infrastructure - Water		12,737	17,616	22,532	22,570	23,403	23,403	22,204	21,709	21,429
Dams & Reservoirs		–	–	–	–	–	–	–	–	–
Water purification		4,758	8,755	12,566	11,897	12,807	12,807	12,416	12,175	11,972
Reticulation		7,978	8,861	9,966	10,674	10,596	10,596	9,787	9,534	9,457
Infrastructure - Sanitation		9,544	12,070	13,486	12,438	13,741	13,741	12,280	12,030	11,645
Reticulation		7,809	10,388	11,253	10,752	11,480	11,480	11,038	10,848	10,524
Sewerage purification		1,735	1,681	2,234	1,686	2,261	2,261	1,242	1,182	1,121
Infrastructure - Other		1,150	1,586	1,919	1,536	1,767	1,767	1,361	871	652
Waste Management		1,150	1,586	1,919	1,536	1,767	1,767	1,361	871	652
Transportation	2	–	–	–	–	–	–	–	–	–
Gas		–	–	–	–	–	–	–	–	–
Other	3	–	–	–	–	–	–	–	–	–
Community		6,803	7,708	8,367	7,842	8,160	8,160	6,846	5,911	4,898
Parks & gardens		207	239	246	234	236	236	195	182	172
Sportsfields & stadia		1,673	2,414	2,566	2,522	2,601	2,601	2,534	2,347	2,342
Swimming pools		–	–	–	–	–	–	–	–	–
Community halls		389	359	389	352	492	492	411	395	274
Libraries		215	208	226	437	215	215	162	122	74
Recreational facilities		55	55	56	55	56	56	56	54	54
Fire, safety & emergency		565	704	723	692	696	696	595	563	339
Security and policing		1,303	1,344	1,380	985	1,146	1,146	694	387	142
Buses	7	–	–	–	–	–	–	–	–	–
Clinics		–	–	–	–	–	–	–	–	–
Museums & Art Galleries		–	–	–	–	–	–	–	–	–
Cemeteries		101	117	117	105	105	105	12	10	6
Social rental housing	8	2,043	1,922	2,259	2,170	2,244	2,244	1,907	1,596	1,310
Other		252	346	405	290	370	370	281	256	185
Investment properties		2,568	2,472	2,768	2,606	2,729	2,729	2,381	2,156	2,057
Housing development		9	5	5	5	5	5	5	5	5
Other		2,559	2,467	2,763	2,601	2,724	2,724	2,376	2,151	2,052
Other assets		2,987	1,513	1,684	1,569	1,651	1,651	1,317	976	528
General vehicles	10	1,975	138	161	138	138	138	134	95	32
Specialised vehicles		–	–	–	–	–	–	–	–	–
Plant & equipment		483	581	583	581	581	581	455	445	334
Computers - hardware/equipment		114	268	176	176	176	176	160	159	29
Furniture and other office equipment		414	508	745	671	739	739	551	270	128
Abattoirs		–	–	–	–	–	–	–	–	–
Markets		–	–	–	–	–	–	–	–	–
Civic Land and Buildings		–	–	–	–	–	–	–	–	–
Other Buildings		–	–	–	–	–	–	–	–	–
Other Land		–	–	–	–	–	–	–	–	–
Surplus Assets - (Investment or Inventory)		–	–	–	–	–	–	–	–	–
Other		1	18	18	4	18	18	17	6	4
Intangibles		362	442	569	–	–	–	–	–	–
Computers - software & programming		362	442	569	–	–	–	–	–	–
Other (list sub-class)										
Total Depreciation	1	79,563	94,577	106,672	101,989	107,934	107,934	100,225	95,888	89,430

References

1. Depreciation based on write down values. Not including Depreciation resulting from revaluation.
2. Airports, Car Parks, Bus Terminals and Taxi Ranks
3. For example - technology backbones (e.g. fibre optic, WIFI infrastructure) for economic development purposes
4. Work-in-progress/under construction to be budgeted under the respective item
5. Infrastructure includes 'land and buildings required' by that infrastructure and vehicles/plant & equipment used by the service generated by that infrastructure
6. Donated/contributed & leased assets to be included within the respective sub-class
7. Busses used to provide a service to the community
8. Not municipal contributions to the 'top structure' being built using the housing subsidies
9. Statues, art collections, medals etc.
10. Ambulances, fire engines, refuse vehicles - but not vehicles that would normally be classified as 'Plant and equipment'

Table 55 – SA35: Future financial implications of the capital budget

Vote Description R thousand	Ref	2013/14 Medium Term Revenue &			Forecasts			
		Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16	Forecast 2016/17	Forecast 2017/18	Forecast 2018/19	Present value
Capital expenditure	1							
Vote 1 - Office of the Municipal Manager		2,600	565	–				
Vote 2 - Corporate Services		585	290	–				
Vote 3 - Corporate Services		620	560	–				
Vote 4 - Community Services		5,880	6,500	–				
Vote 5 - Community Services		9,170	5,813	3,000				
Vote 6 - Community Services		8,570	7,280	10,100				
Vote 7 - Human Settlements, Land Affairs & Planning		8,748	16,700	17,000				
Vote 8 - Civil Engineering Services		191,448	145,938	157,120				
Vote 9 - Electrotechnical Services		22,623	31,248	26,831				
Vote 10 - Financial Services		780	280	280				
Vote 11 - Financial Services		–	–	–				
Total Capital Expenditure		251,024	215,174	214,331	–	–	–	–
Future operational costs by vote	2							
Vote 1 - Office of the Municipal Manager								
Vote 2 - Corporate Services								
Vote 3 - Corporate Services								
Vote 4 - Community Services								
Vote 5 - Community Services								
Vote 6 - Community Services								
Vote 7 - Human Settlements, Land Affairs & Planning								
Vote 8 - Civil Engineering Services								
Vote 9 - Electrotechnical Services								
Vote 10 - Financial Services								
Vote 11 - Financial Services								
Total future operational costs		–	–	–	–	–	–	–
Future revenue by source	3							
Property rates								
Property rates - penalties & collection charges								
Service charges - electricity revenue								
Service charges - water revenue								
Service charges - sanitation revenue								
Service charges - refuse revenue								
Service charges - other								
Rental of facilities and equipment								
<i>List other revenues sources if applicable</i>								
Total future revenue		–	–	–	–	–	–	–
Net Financial Implications		251,024	215,174	214,331	–	–	–	–

References

1. Summarise the total capital cost until capital project is operational (MFMA s19(2)(a))
2. Summary of future operational costs from when projects operational (present value until the end of each asset's useful life) (MFMA s19(2)(b))
3. Summarise the future revenue from when projects are operational, including municipal tax and tariff implications, (present value until the end of asset's useful life)

The above schedule will only be completed once the Long Term Financial Plan has been completed.

2.7.8 Detailed capital budget per municipal vote

Table 56 – SA36: Detailed capital budget per municipal vote

Municipal Vote/Capital project R thousand	Program/Project description	IDP Goal code 2	Individually Approved (Yes/No) 6	Asset Class 3	Asset Sub-Class 3	Total Project Estimate	Prior year outcomes		2013/14 Medium Term Revenue & Expenditure Framework			Project information	
							Audited Outcome 2011/12	Current Year 2012/13 Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16	Ward location	New or renewal
Parent municipality:													
Office of the City Manager													
Office of the City Manager	Furniture & Fittings	O	Yes	Other Assets	Furniture and other office equipment	165	28	37	50	50	—	All	New
Office of the City Manager	Computer Equipment	O	Yes	Other Assets	Furniture and other office equipment	53	53	—	—	—	—	All	New
Office of the City Manager	Water Dispenser	O	Yes	Other Assets	Furniture and other office equipment	2	2	—	—	—	—	All	New
Office of the City Manager	Equipment for councilors	O	Yes	Other Assets	Furniture and other office equipment	400	—	200	—	200	—	All	New
Office of the City Manager	Ward Projects - MM	O	Yes	Community	Furniture and other office equipment	2,560	—	10	2,550	—	—	All	New
Office of the City Manager	Municipal Court	O	Yes	Infrastructure - Other	Other Buildings	315	—	—	—	315	—	All	New
Office of the City Manager	Resource Centre	M	Yes	Other Assets	Furniture and other office equipment	—	—	—	—	—	—	All	New
Corporate Services													
Corporate Services - Administration	Leave Module	O	Yes	Intangibles	Computers - software & programming	120	120	—	—	—	—	All	New
Corporate Services - Administration	Furniture & Fittings	O	Yes	Other Assets	Furniture and other office equipment	128	13	30	65	20	—	All	New
Corporate Services - Administration	Projector - Civic Centre	O	Yes	Other Assets	Computers - hardware/equipment	3	3	—	—	—	—	All	New
Corporate Services - Administration	Laptop - Thembalethu Area office	O	Yes	Other Assets	Computers - hardware/equipment	7	7	—	—	—	—	11	New
Corporate Services - Administration	Office Furniture - Thembalethu Area Off	O	Yes	Other Assets	Furniture and other office equipment	86	86	—	—	—	—	11	New
Corporate Services - Administration	Computer - Rosemoore Area office	O	Yes	Other Assets	Computers - hardware/equipment	5	5	—	—	—	—	6	New
Corporate Services - Administration	Bulk Fliers for planning	O	Yes	Other Assets	Furniture and other office equipment	200	—	200	—	—	—	All	New
Corporate Services - Administration	Mobile Shelving	O	Yes	Other Assets	Furniture and other office equipment	200	—	—	200	—	—	All	New
Corporate Services - Administration	Clocking System	O	Yes	Intangibles	Computers - software & programming	390	—	170	170	50	—	All	New
Corporate Services - Administration	Office Space (Councillors)	O	Yes	Community	Computers - software & programming	—	—	—	—	—	—	All	New
Corporate Services - IT Services	Computer Hardware	O	Yes	Other Assets	Other	—	—	—	—	—	—	All	New
Corporate Services - Community Halls	Upgr Council Chambers	J	Yes	Other Assets	Furniture and other office equipment	1,285	—	325	450	510	—	All	New
Corporate Services - Community Halls	Conville Hall	J	Yes	Community	Security and policing	5	—	—	5	—	—	17	New
Corporate Services - Community Halls	Rosemore Hall	J	Yes	Other Assets	Plant & equipment	—	—	—	—	—	—	6	New
Corporate Services - Community Halls	Lawaikamp Hall	J	Yes	Other Assets	Plant & equipment	—	—	—	—	—	—	7	New
Corporate Services - Community Halls	Parkdene Hall	J	Yes	Community	Community halls	5	—	—	5	—	—	8	New
Corporate Services - Community Halls	Touwsranten Hall	J	Yes	Other Assets	Other	—	—	—	—	—	—	4	New
Corporate Services - Community Halls	Civic Centre	J	Yes	Community	Community halls	1,500	—	—	500	500	500	19	Renewal
Corporate Services - Community Halls	Civic Centre - CCTV Cameras	J	Yes	Other Assets	Security and policing	500	—	—	500	—	—	19	Renewal
Corporate Services - Community Halls	Equipment	J	Yes	Other Assets	Plant & equipment	5	—	5	—	—	—	All	New
Corporate Services - Community Halls	Furniture & Fittings	J	Yes	Other Assets	Furniture and other office equipment	—	—	—	—	—	—	All	New
Corporate Services - Community Halls	Blanco Community Hall	J	Yes	Community	Community halls	80	—	—	—	80	—	1	New
Corporate Services - Community Halls	Thembalethu Community Hall	J	Yes	Community	Community halls	2,250	1,785	—	315	150	—	11	New
Corporate Services - Community Halls	Pacaltsdorp Community Hall	J	Yes	Community	Community halls	160	—	120	—	40	—	14	Renewal
Community Services													
Community Services - Administration	Furniture & Office equipment	O	Yes	Other Assets	Furniture and other office equipment	7	7	—	—	—	—	All	New
Community Services - Administration	Radio's for vehicles	O	Yes	Other Assets	Plant & equipment	900	—	—	600	300	—	All	New
Community Services - Social Services	Ward Projects - Social Services	O	Yes	Other Assets	Plant & equipment	60	—	60	—	—	—	15,25	New
Community Services - Libraries	Furniture & Office equipment	O	Yes	Other Assets	Furniture and other office equipment	36	—	36	—	—	—	All	New
Community Services - Libraries	Desktop Computer	P	Yes	Other Assets	Computers - hardware/equipment	5	5	—	—	—	—	17,1	New
Community Services - Libraries	Upgrading Blanco Library	P	Yes	Community	Libraries	100	—	100	—	—	—	1	New
Community Services - Libraries	Upgrading Conville Library	P	Yes	Community	Libraries	5,150	—	150	—	5,000	—	17	New
Community Services - Libraries	Literacy programme	P	Yes	Intangibles	Computers - software & programming	—	—	—	—	—	—	All	New
Community Services - Libraries	ICT System	P	Yes	Other Assets	Furniture and other office equipment	—	—	—	—	—	—	All	New
Community Services - Libraries	Paving of Libraries	P	Yes	Infrastructure - Road transport	Roads, Pavements & Bridges	119	—	119	—	—	—	All	New
Community Services - Fire Services	Trailers - Fire fighting rural areas	H	Yes	Other Assets	Plant & equipment	—	—	—	—	—	—	22	New
Community Services - Fire Services	Paving - Thembalethu Fire station	H	Yes	Infrastructure - Road Transport	Roads, Pavements & Bridges	—	—	—	—	—	—	9,10,21,11,1	
Community Services - Fire Services	Disaster Management Equipment	H	Yes	Other Assets	Plant & equipment	300	—	300	—	—	—	3,12,15	New
Community Services - Fire Services	Life Savers Tower - Gwaiing	H	Yes	Other Assets	Plant & equipment	—	—	—	—	—	—	23	New
Community Services - Fire Services	Skid Units	H	Yes	Other Assets	Plant & equipment	—	—	—	—	—	—	16	New
Community Services - Fire Services	Fire Detection Services	H	Yes	Other Assets	Plant & equipment	—	—	—	—	—	—	All	New
Community Services - Fire Services	Furniture & Office equipment	H	Yes	Other Assets	Furniture and other office equipment	39	—	39	—	—	—	All	New
Community Services - Fire Services	Fire fighting vehicle	H	Yes	Other Assets	Specialised vehicles - Fire	1,500	—	—	—	1,500	—	All	New
Community Services - Traffic Services	Furniture & Office equipment	H	Yes	Other Assets	Furniture and other office equipment	59	9	—	—	50	—	All	New
Community Services - Traffic Services	CCTV Cameras	H	Yes	Other Assets	Plant & equipment	8,939	3,323	2,616	1,500	1,500	—	All	New
Community Services - Traffic Services	Camera System	H	Yes	Other Assets	Plant & equipment	250	—	—	250	—	—	All	New

Municipal Vote/Capital project R thousand	Program/Project description	IDP Goal code 2	Individually Approved (Yes/No) 6	Asset Class 3	Asset Sub-Class 3	Total Project Estimate	Prior year outcomes		2013/14 Medium Term Revenue & Expenditure Framework			Project information	
							Audited Outcome 2011/12	Current Year 2012/13 Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16	Ward location	New or renewal
Community Services - Traffic Services	Replacement of Vehicles	H	Yes	Other Assets	General vehicles	3,600	—	1,800	1,800			All	New
Community Services - Traffic Services	Furniture & Office equipment	H	Yes	Other Assets	Furniture and other office equipment	80	—	80				All	New
Community Services - Traffic Services	Fire Arms	H	Yes	Other Assets	Plant & equipment	350	—	200	150			All	New
Community Services - Traffic Services	Ward Projects - Law Enforcement	H	Yes	Other Assets	Plant & equipment	15	—	15				All	New
Community Services - Traffic Services	Radio's & Metal Detectors	H	Yes	Other Assets	Plant & equipment	150	—	150				All	New
Community Services - Traffic Services	Safety Equipment	H	Yes	Other Assets	Plant & equipment	160	—	80	80			All	New
Community Services - Traffic Services	Security Counter	H	Yes	Other Assets	Furniture and other office equipment	400	—	150	250			All	New
Community Services - Traffic Services	Computer Equipment	H	Yes	Other Assets	Computers - hardware/equipment	190	—	150	40			All	New
Community Services - Traffic Services	Paving at Traffic Department	H	Yes	Infrastructure - Road transport	Roads, Pavements & Bridges	60	—	—	60			All	New
Community Services - Traffic Services	Upgrading of Traffic Offices	H	Yes	Other Assets	Buildings	200	—	—	200			All	New
Community Services - Refuse Removal	240l Wheely Bins	K	Yes	Other Assets	Plant & equipment	—	—	—				4	New
Community Services - Refuse Removal	Ward Projects - Cleansing	K	Yes	Other Assets	Plant & equipment	155	—	155				13,16,17	New
Community Services - Refuse Removal	Waste Collection - Rural Areas	K	Yes	Other Assets	Plant & equipment	300	—	—	100	100	100	19	New
Community Services - Refuse Removal	Bulk refuse containers	K	Yes	Other Assets	Plant & equipment	750	—	200	100	250	200	19	New
Community Services - Refuse Removal	Refuse Truck	K	Yes	Other Assets	Specialised vehicles - Refuse	4,300	—	—	4,300			All	New
Community Services - Refuse Removal	TLB's	K	Yes	Other Assets	Specialised vehicles - Refuse	2,600	—	1,300	1,300			All	New
Community Services - Refuse Removal	Containers	K	Yes	Other Assets	Plant & equipment	400	—	200		200		All	New
Community Services - Refuse Removal	Replace Refuse Truck	K	Yes	Other Assets	Specialised vehicles - Refuse	5,300	—	—	2,500	1,300	1,500	All	Renewal
Community Services - Refuse Removal	Bull Dozer	K	Yes	Other Assets	Specialised vehicles - Refuse	2,000	—	—	—	2,000	—	All	Renewal
Community Services - Refuse Removal	Public toilets	K	Yes	Community	Other	1,300	—	—	—	1,000	300	19	Renewal
Community Services - Refuse Removal	New Landfill Site- Uniondale	K	Yes	Other Assets	Other	9,000	—	—	—	1,000	8,000	25	New
Community Services - Refuse Removal	Rehabilitation of Refuse Site	K	Yes	Other Assets	Other	—	—	—				All	New
Community Services - Refuse Removal	Compost Plant	K	Yes	Other Assets	Other	100	—	—				All	New
Community Services - Refuse Removal	Extension of transfer station	K	Yes	Other Assets	Other	1,000	—	—				All	New
Community Services - Refuse Removal	Equipment	H	Yes	Other Assets	Plant & equipment	600	—	—	270	330		All	New
Community Services - Cemeteries	Upgr York Street Cemetery	J	Yes	Infrastructure - Road Transport	Roads, Pavements & Bridges	50	—	—	50			23	New
Community Services - Cemeteries	Ward Projects - Cemeteries	J	Yes	Community	Cemeteries	50	—	50				1	New
Community Services - Sport & Recreation	Conville Swimming Pool	L	Yes	Other Assets	Plant & equipment	157	147	—		10		17	Renewal
Community Services - Sport & Recreation	Upgr Thembalethu Sport Infrastructure	L	Yes	Community	Sportsfields & stadia	1,695	25	—	800	870		13	Renewal
Community Services - Sport & Recreation	Lawaalikamp Sportground	L	Yes	Community	Sportsfields & stadia	1,478	18	1,000	200	260		7	New
Community Services - Sport & Recreation	Upgr Rosemore Sport Infrastructure	L	Yes	Community	Sportsfields & stadia	5,570	—	3,070	2,500			17	Renewal
Community Services - Sport & Recreation	Electrical Equipment	L	Yes	Other Assets	Plant & equipment	30	—	—	20	10		All	New
Community Services - Sport & Recreation	Upgr Maraikamp/Parkdene Sport Infra	L	Yes	Community	Sportsfields & stadia	1,394	894	—	400	100		8	Renewal
Community Services - Sport & Recreation	Thembaletu Sporting Facilities (new)	L	Yes	Community	Sportsfields & stadia	1,800	—	1,800				13	New
Community Services - Sport & Recreation	Pacaltsdorp Sporting Facilities (new)	L	Yes	Community	Sportsfields & stadia	1,230	—	1,200		30		14	New
Community Services - Sport & Recreation	Uniondale Sporting Facilities (new)	L	Yes	Community	Sportsfields & stadia	1,400	—	—	1,300	100		25	New
Community Services - Sport & Recreation	Rosedale Sporting Facilities (new)	L	Yes	Community	Sportsfields & stadia	1,700	—	—	—	1,700		14	New
Community Services - Sport & Recreation	Regional Sport Complex	L	Yes	Community	Sportsfields & stadia	899	399	—		500		14	New
Community Services - Sport & Recreation	Ward Projects - Sport	L	Yes	Community	Sportsfields & stadia	125	—	125				5	Renewal
Community Services - Sport & Recreation	Upgr Pacaltsdorp Sporting Facilities	L	Yes	Community	Sportsfields & stadia	600	—	—	500	100		14	Renewal
Community Services - Sport & Recreation	Upgr Blanco Sporting Facilities	L	Yes	Community	Sportsfields & stadia	410	—	—	400	10		1	Renewal
Community Services - Sport & Recreation	Upgr of Cricket Nets	L	Yes	Community	Sportsfields & stadia	29	29	—				All	Renewal
Community Services - Sport & Recreation	New Dawn Park Sport Facilities	L	Yes	Community	Security and policing	—	—	—				16	Renewal
Community Services - Sport & Recreation	Touwsranton Sport Facilities	L	Yes	Community	Sportsfields & stadia	500	—	—	—	500		4	Renewal
Community Services - Sport & Recreation	Upgr Outeniqua Bowling Club	L	Yes	Community	Recreational facilities	20	—	—		20		19	Renewal
Community Services - Sport & Recreation	Baseball Facility - Pacaltsdorp	L	Yes	Community	Sportsfields & stadia	100	—	—	—	100		14	New
Community Services - Sport & Recreation	Building Sport Infrastructure	L	Yes	Community	Sportsfields & stadia	6,000	—	—	—	3,000	3,000	All	New
Community Services - Sport & Recreation	Geelhoutboom Sportfield	L	Yes	Community	Sportsfields & stadia	250	—	—	250			22	New
Community Services - Parks & Gardens	Upgr Victoria Pedestrian Path	J	Yes	Community	Parks & gardens	110	—	—		110		4	Renewal
Community Services - Parks & Gardens	Ward Projects - Park & Gardens	J	Yes	Community	Parks & gardens	150	—	40			8,18,22	New	
Community Services - Parks & Gardens	Thembaletu Park	J	Yes	Community	Parks & gardens	150	—	150		100		9	New
Community Services - Parks & Gardens	Cemeteries - Rural Area	J	Yes	Other Assets	Other Land	40	—	—		40		22	New
Community Services - Parks & Gardens	Equipment	J	Yes	Other Assets	Plant & equipment	53	—	—		53		All	New
Community Services - Parks & Gardens	Tractor Hidrolics	J	Yes	Other Assets	Plant & equipment	50	—	—		50		All	New

Municipal Vote/Capital project	Program/Project description	IDP Goal code	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	Total Project Estimate	Prior year outcomes		2013/14 Medium Term Revenue & Expenditure Framework			Project information		
							Audited Outcome 2011/12	Current Year 2012/13 Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16	Ward location	New or renewal	
R thousand		2	6	3	3									
Human Settlements, Land Affairs & Planning														
Planning & Housing	Upgrading of Informal-formal Housing Vehicles	F	Yes	Community	Housing Schemes	7,050	–	50	6,000	500	500	1,4-13,15-18,20-25	New & Renewal	
Planning & Housing	Furniture & Office equipment	C	Yes	Other Assets	General vehicles	350	–	–	350	–	–	All	New	
Planning & Housing	Fence at Touwsranten housing project	F	Yes	Other Assets	Furniture and other office equipment	148	8	30	50	60	–	All	New	
Planning & Housing	Transit Camps - Touwsranten	F	Yes	Community	Security and policing	–	–	–	–	–	–	4	New	
Planning & Housing	Cherche Programme : Phase 1	F	Yes	Other Assets	Vacantland	275	–	275	–	–	–	4	New	
Planning & Housing	Parkdene Creche	F	Yes	Community	Other	500	–	–	500	–	–	All	New	
Planning & Housing	Kleinkrantz Creche	F	Yes	Community	Other	1,124	1,124	–	–	–	2,000	8	New	
Planning & Housing	Thembalethu Creche Gate	F	Yes	Community	Other	2,000	–	–	–	–	90	4	New	
Planning & Housing	Services for erven	F	Yes	Community	Fire, safety & emergency	599	9	–	500	90	–	11	New	
Planning & Housing	Ward Projects - Planning & Housing	F	Yes	Community	Housing Schemes	551	–	458	93	–	–	1	New	
Planning & Housing	All Brick Hall	F	Yes	Community	Other	–	–	180	–	–	–	11,12,14,22,24,25	New	
Planning & Housing	Purchase of land	F	Yes	Other Assets	Community halls	–	–	–	–	–	2,500	All	Renewal	
Planning & Housing	Purchase of property	F	Yes	Community	Other Land	2,500	–	–	–	–	–	All	New	
Planning & Housing	Residential Units	F	Yes	Community	Social rental housing	–	–	–	–	–	–	All	New	
Planning & Housing	Old Age Home	F	Yes	Community	Social rental housing	12,000	–	–	–	–	6,000	6,000	All	New
Planning & Housing	Old Heritage Building : Pacaltsdorp	F	Yes	Heritage Assets	Other	15,000	–	–	–	–	5,000	10,000	13,14	New
Planning & Housing	Computer equipment	N	Yes	Other Assets	Other Buildings	250	–	–	250	–	–	–	14	New
Civil Engineering Services	Health & Safety Equipment	B	Yes	Other Assets	Computers - hardware/equipment	50	–	–	–	–	50	–	All	New
Civil Engineering Services - Administration	Furniture & Office equipment	B	Yes	Other Assets	Plant & equipment	–	–	–	–	–	–	–	All	New
Civil Engineering Services - Administration	Radio Mast & Base Station	B	Yes	Other Assets	Furniture and other office equipment	1,019	6	320	–	443	250	–	All	New
Civil Engineering Services - Streets & Storm	Streetlights	C	Yes	Infrastructure	Plant & equipment	100	–	100	–	–	–	–	All	New
Civil Engineering Services - Streets & Storm	Ward Projects - Streetlights	C	Yes	Infrastructure	Street Lighting	6,156	406	450	1,300	2,000	2,000	–	5,22	New
Civil Engineering Services - Streets & Storm	Vehicles	C	Yes	Other Assets	Street Lighting	35	–	35	–	–	–	–	All	New
Civil Engineering Services - Streets & Storm	Rollers	C	Yes	Other Assets	General vehicles	3,000	–	1,500	1,500	–	–	–	All	New
Civil Engineering Services - Streets & Storm	Trailers	C	Yes	Other Assets	Plant & equipment	–	–	–	–	–	–	–	All	New
Civil Engineering Services - Streets & Storm	Ward Projects - Streets & Stormwater	C	Yes	Infrastructure - Road Transport	Plant & equipment	–	–	–	–	–	–	–	1,2,3,4,5,6,7,8,10,14,16,18,19,20,23	New
Civil Engineering Services - Streets & Storm	Mobility Strategy	C	Yes	Infrastructure - Road Transport	Roads, Pavements & Bridges	923	–	923	–	–	–	–	All	New
Civil Engineering Services - Streets & Storm	Access for Disabled Persons	C	Yes	Infrastructure - Road Transport	Roads, Pavements & Bridges	–	–	–	–	–	–	–	All	New
Civil Engineering Services - Streets & Storm	Upgr of Stormwater Network: George S	C	Yes	Infrastructure - Road Transport	Storm water	–	–	–	–	–	–	–	19	Renewal
Civil Engineering Services - Streets & Storm	Public Works Programme	C	Yes	Infrastructure - Road Transport	Roads, Pavements & Bridges	–	–	–	–	–	–	–	All	New
Civil Engineering Services - Streets & Storm	Robots & Intersections	C	Yes	Infrastructure - Road Transport	Roads, Pavements & Bridges	100	–	–	–	100	–	–	All	New
Civil Engineering Services - Streets & Storm	Street Resealing	C	Yes	Infrastructure - Road Transport	Roads, Pavements & Bridges	19,683	3,683	5,000	5,000	5,000	1,000	1,000	All	Renewal
Civil Engineering Services - Streets & Storm	Concrete Canals and Drains	C	Yes	Infrastructure - Road Transport	Roads, Pavements & Bridges	3,049	990	877	1,182	–	–	–	17,20	New & Renewal
Civil Engineering Services - Streets & Storm	Upgr of Bus Routes	C	Yes	Infrastructure - Road Transport	Roads, Pavements & Bridges	3,006	1,453	1,554	–	–	–	–	All	New
Civil Engineering Services - Streets & Storm	Thembalethu UISP - Streets & Stormwa	C	Yes	Infrastructure - Road Transport	Roads, Pavements & Bridges	65,007	3,200	13,148	19,003	11,378	18,279	13	New	
Civil Engineering Services - Streets & Storm	Bus Stops	C	Yes	Infrastructure - Other	Transportation	1,500	–	1,500	–	–	–	–	All	New
Civil Engineering Services - Streets & Storm	Remote Bus Depot	C	Yes	Infrastructure - Other	Transportation	–	–	–	–	–	–	–	All	New
Civil Engineering Services - Streets & Storm	Upgr of Roads & Stormwater Network	C	Yes	Infrastructure - Road Transport	Roads, Pavements & Bridges	11,992	1,992	2,000	2,000	3,000	3,000	1, 2, 3, 4	New	
Civil Engineering Services - Streets & Storm	Inter-Urban Bus Terminus	C	Yes	Infrastructure - Other	Transportation	7,647	2,397	5,250	–	–	–	–	All	New
Civil Engineering Services - Streets & Storm	Courtney Street Medians	C	Yes	Infrastructure - Road Transport	Roads, Pavements & Bridges	–	–	–	–	–	–	–	19	New
Civil Engineering Services - Streets & Storm	Street Rebuilding	C	Yes	Infrastructure - Road Transport	Roads, Pavements & Bridges	17,000	–	–	–	4,000	6,000	7,000	All	Renewal
Civil Engineering Services - Streets & Storm	Speed Calming Methods	C	Yes	Infrastructure - Road Transport	Roads, Pavements & Bridges	–	–	–	–	–	–	–	All	New
Civil Engineering Services - Streets & Storm	Upgr of Stormwater Network: George S	C	Yes	Infrastructure - Road Transport	Storm water	–	–	–	–	–	–	–	19	Renewal

Municipal Vote/Capital project	Program/Project description	IDP Goal code	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	Total Project Estimate	Prior year outcomes		2013/14 Medium Term Revenue & Expenditure Framework			Project information		
							Audited Outcome 2011/12	Current Year 2012/13 Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16	Ward location	New or renewal	
R thousand		2	6	3	3									
Civil Engineering Services - Streets & Storm	Thembalethu/Asazani Public Transport	C	Yes	Infrastructure - Road Transport	Roads, Pavements & Bridges	–	–	–	–	–	–	9, 10, 21, 11, 13, 12, 15	New	
Civil Engineering Services - Streets & Storm	Neighbourhood Dev Partnership Grant	C	Yes	Infrastructure - Road Transport	Roads, Pavements & Bridges	–	–	–	46,610	50,950	55,689	–	New	
Civil Engineering Services - Public Transport	Vehicle Acquisition			Other Assets	Buses				3,000			All	New	
Civil Engineering Services - Public Transport	Oversight Entity Establishment			Infrastructure - Other	Transportation				9,640			All	New	
Civil Engineering Services - Public Transport	Fare System Establishment			Other Assets	Computers - software & programming				1,060			All	New	
Civil Engineering Services - Public Transport	ITS Establishment			Other Assets	Computers - hardware/equipment				10,320			All	New	
Civil Engineering Services - Public Transport	Road Upgrades			Infrastructure - Other	Transportation				20,000	10,855		All	New	
Civil Engineering Services - Public Transport	Stops Shelters Depots			Infrastructure - Other	Reticulation	1,092	252	220	220	200	200	All	New	
Civil Engineering Services - Water Networks	Water Meters	B	Yes	Infrastructure - Water	Dams & Reservoirs	323	53	70	100	100	200	22, 25	New	
Civil Engineering Services - Water Networks	Water Tanks	B	Yes	Infrastructure - Water	Dams & Reservoirs	5	–	5	–	–	–	22	New	
Civil Engineering Services - Water Networks	Ward Projects - Water Network	B	Yes	Infrastructure - Water	Reticulation	13,283	1,283	2,000	3,000	3,000	4,000	All	Renewal	
Civil Engineering Services - Water Networks	Upgr Water Network	B	Yes	Infrastructure - Water	Security and policing	–	–	–	–	–	–	All	Renewal	
Civil Engineering Services - Water Networks	Replace Fence at Camps	B	Yes	Community	Reticulation	25,427	16,021	9,407	–	–	–	All	New	
Civil Engineering Services - Water Networks	George Western Water Supply Pipeline	B	Yes	Infrastructure - Water	Reticulation	8,573	422	1,734	2,506	1,501	2,411	13	New	
Civil Engineering Services - Water Networks	Thembalethu Bulk Water Pipeline	B	Yes	Infrastructure - Water	Reticulation	24,000	–	22,000	2,000	–	–	13	New	
Civil Engineering Services - Water Networks	Radio's & Testing Equipment	B	Yes	Other Assets	Plant & equipment	326	24	52	175	75	–	All	New	
Civil Engineering Services - Water Networks	Computers	B	Yes	Other Assets	Computers - hardware/equipment	13	13	–	–	–	–	All	New	
Civil Engineering Services - Water Networks	Generators	B	Yes	Other Assets	Plant & equipment	–	–	–	–	–	–	All	New	
Civil Engineering Services - Water Networks	Hansmoeskraal/Pacaltsdorp Main Line	B	Yes	Infrastructure - Water	Reticulation	7,000	–	–	–	1,000	6,000	23	New	
Civil Engineering Services - Water Networks	Kraibosch Water Line	B	Yes	Infrastructure - Water	Reticulation	1,000	–	–	–	1,000	–	4	New	
Civil Engineering Services - Water Networks	Thembalethu Bulk Pipeline	B	Yes	Infrastructure - Water	Reticulation	–	–	–	–	–	–	9, 10, 21, 11, 13, 12, 15	New	
Civil Engineering Services - Water Networks	Water Tanker	B	Yes	Other Assets	General vehicles	750	–	–	750	–	–	All	New	
Civil Engineering Services - Water Networks	Truck	B	Yes	Other Assets	General vehicles	900	–	300	600	–	–	All	New	
Civil Engineering Services - Water Networks	Pacaltsdorp Bulk Reticulation	B	Yes	Infrastructure - Water	Reticulation	3,000	–	–	–	–	3,000	–	14	New
Civil Engineering Services - Water Networks	Wildernis Bulk Storage	B	Yes	Infrastructure - Water	Dams & Reservoirs	–	–	–	–	–	–	4	New	
Civil Engineering Services - Water Networks	Wildernis Heights Reticulation	B	Yes	Infrastructure - Water	Reticulation	300	–	–	–	–	300	–	4	New
Civil Engineering Services - Water Networks	Telemetry and Loggers	B	Yes	Other Assets	Plant & equipment	850	–	–	250	300	300	300	Renewal	
Civil Engineering Services - Water Purification	Raising Garden Route dam	B	Yes	Infrastructure - Water	Dams & Reservoirs	10,172	180	–	9,992	–	–	All	New	
Civil Engineering Services - Water Purification	Security Fence - Waterworks	B	Yes	Community	Security and policing	–	–	–	–	–	–	All	New	
Civil Engineering Services - Water Purification	Pipeline - Boreholes	B	Yes	Infrastructure - Water	Reticulation	–	–	–	–	–	–	All	New	
Civil Engineering Services - Water Purification	Extension of Waterworks	B	Yes	Infrastructure - Water	Reticulation	1,000	–	–	–	–	1,000	All	New	
Civil Engineering Services - Water Purification	Upgr Pump Station No.2	B	Yes	Infrastructure - Water	Reticulation	–	–	–	–	–	–	All	Renewal	
Civil Engineering Services - Water Purification	Refurbishment of Waterworks	B	Yes	Infrastructure - Sanitation	Sewerage purification	3,233	3,233	–	–	–	–	All	Renewal	
Civil Engineering Services - Water Purification	Malgas Pumping Scheme	B	Yes	Infrastructure - Water	Reticulation	–	–	–	–	–	–	All	New	
Civil Engineering Services - Water Purification	Outeniqua Effluent Project	B	Yes	Infrastructure - Water	Reticulation	–	–	–	–	–	–	All	New	
Civil Engineering Services - Water Purification	Bakkies	B	Yes	Other Assets	General vehicles	400	–	200	200	200	200	All	New	
Civil Engineering Services - Water Purification	WTW - 3 Reservoirs	B	Yes	Infrastructure - Water	Dams & Reservoirs	11,000	–	–	–	1,000	10,000	All	New	
Civil Engineering Services - Water Purification	Roof at New WTW	B	Yes	Infrastructure - Water	Dams & Reservoirs	1,000	–	–	–	500	500	All	New	
Civil Engineering Services - Water Purification	Haarlem WTW	B	Yes	Infrastructure - Water	Dams & Reservoirs	130	–	–	130	–	–	All	New	
Civil Engineering Services - Water Purification	Kleinkrantz Reservoirs	B	Yes	Infrastructure - Water	Dams & Reservoirs	80	–	–	80	–	–	All	New	
Civil Engineering Services - Water Purification	Blanco Reservoir	B	Yes	Infrastructure - Water	Dams & Reservoirs	500	–	–	–	500	500	1	New	
Civil Engineering Services - Water Purification	Telemetry and Loggers	B	Yes	Other Assets	Plant & equipment	1,250	–	–	250	500	500	All	Renewal	
Civil Engineering Services - Water Purification	Equipment	B	Yes	Other Assets	Plant & equipment	200	–	–	200	–	–	All	Renewal	
Civil Engineering Services - Sewerage Netw	Sewerage Reticulation - Pacaltsdorp	A	Yes	Infrastructure - Sanitation	Reticulation	15,516	12,056	3,460	–	–	–	14	New	
Civil Engineering Services - Sewerage Netw	Catch pits	A	Yes	Infrastructure - Sanitation	Reticulation	149	149	–	–	–	–	All	New	
Civil Engineering Services - Sewerage Netw	Sewerage Network Rehabilitation	A	Yes	Infrastructure - Sanitation	Reticulation	17,657	5,357	2,300	3,000	3,000	4,000	All	Renewal	
Civil Engineering Services - Sewerage Netw	Telemetry and Loggers	A	Yes	Other Assets	Plant & equipment	200	–	–	200	–	–	All	Renewal	
Civil Engineering Services - Sewerage Netw	Fencing & Roads at Pumpstations	A	Yes	Community	Security and policing	1,100	–	250	350	500	500	All	New	
Civil Engineering Services - Sewerage Netw	Upgr Pump Stations	A	Yes	Infrastructure - Water	Dams & Reservoirs	7,920	1,220	2,200	1,500	1,500	1,500	All	Renewal	

Municipal Vote/Capital project	Program/Project description	IDP Goal code	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	Total Project Estimate	Prior year outcomes		2013/14 Medium Term Revenue & Expenditure Framework			Project information	
							Audited Outcome 2011/12	Current Year 2012/13 Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16	Ward location	New or renewal
R thousand		6	3	3	3								
Civil Engineering Services - Sewerage Netw	Electrical Switchgear	A	Yes	Infrastructure - Electricity	Transmission & Reticulation	6,497	997	1,000	1,500	1,500	1,500	All	New
Civil Engineering Services - Sewerage Netw	Thembalethu UISP - Sewerage	A	Yes	Infrastructure - Sanitation	Reticulation	25,305	1,246	5,118	7,397	4,429	7,115	13	New
Civil Engineering Services - Sewerage Netw	Thembalethu Bulk Sewer	A	Yes	Infrastructure - Sanitation	Reticulation	52,062	–	7,778	14,284	15,000	15,000	13	New
Civil Engineering Services - Sewerage Netw	Gulleys	A	Yes	Infrastructure - Sanitation	Reticulation	850	–	200	200	200	250	All	New
Civil Engineering Services - Sewerage Netw	Generators	A	Yes	Other Assets	Plant & equipment	2,000	–	–	–	1,000	1,000	All	New
Civil Engineering Services - Sewerage Netw	Sewerage Reticulation - Kraibosch/Vic	A	Yes	Infrastructure - Sanitation	Reticulation	500	–	–	–	500	500	4	New
Civil Engineering Services - Sewerage Netw	Sewerage Reticulation - Hansmoeskraa	A	Yes	Infrastructure - Sanitation	Reticulation	500	–	–	–	500	500	23	New
Civil Engineering Services - Sewerage Netw	Sewerage Reticulation - Thembalethu	A	Yes	Infrastructure - Sanitation	Reticulation	–	–	–	–	–	–	21	New
Civil Engineering Services - Sewerage Netw	Equipment	B	Yes	Other Assets	Plant & equipment	350	–	–	350	–	–	All	Renewal
Civil Engineering Services - Sewerage Netw	4X4 bakkie	A	Yes	Other Assets	General vehicles	200	–	–	200	–	–	All	New
Civil Engineering Services - Sewerage Tre	Upgr Outeniqua WWTW	A	Yes	Infrastructure - Sanitation	Sewerage purification	27,100	1,468	–	5,599	4,907	15,126	All	Renewal
Civil Engineering Services - Sewerage Tre	Upgr Gwaiing WWTW	A	Yes	Infrastructure - Sanitation	Sewerage purification	3,220	–	–	3,220	–	–	25	Renewal
Civil Engineering Services - Sewerage Tre	Upgr Uniondale WWTW	A	Yes	Infrastructure - Sanitation	Sewerage purification	19,186	6,355	12,831	–	–	–	25	Renewal
Civil Engineering Services - Sewerage Tre	Upgr Kleinkrantz WWTW	A	Yes	Infrastructure - Sanitation	Sewerage purification	17,591	1,091	–	8,000	8,500	–	4	Renewal
Civil Engineering Services - Sewerage Tre	Laboratory Instruments	A	Yes	Other Assets	Plant & equipment	1,049	219	300	230	300	–	All	New
Civil Engineering Services - Sewerage Tre	Computers	B	Yes	Other Assets	Computers - hardware/equipment	15	15	–	–	–	–	All	New
Civil Engineering Services - Sewerage Tre	Outeniqua/Gwaiing Sludge Handling	A	Yes	Infrastructure - Sanitation	Sewerage purification	7,675	–	7,675	–	–	–	All	New
Civil Engineering Services - Sewerage Tre	Telemetry and Loggers	A	Yes	Other Assets	Plant & equipment	1,250	–	–	250	500	500	All	New
Electro-technical Services													
Electro-technical Services - Fleet Managem	Vehicles	O	Yes	Other Assets	General vehicles	232	232	–	–	–	–	All	New
Electro-technical Services - Fleet Managem	Petrol Management System	O	Yes	Intangibles	Computers - software & programming	1,500	–	–	1,000	500	500	All	New
Electro-technical Services - Fleet Managem	Vehicle Tracking System	O	Yes	Intangibles	Computers - software & programming	1,900	–	400	500	500	500	All	New
Electro-technical Services - Fleet Managem	Upgr of Buildings	O	Yes	Other Assets	Buildings	450	–	–	450	–	–	All	New
Electro-technical Services - Fleet Managem	Vehicles	O	Yes	Other Assets	General vehicles	5,020	–	–	2,020	1,900	1,100	All	New
Electro-technical Services - Fleet Managem	Security Cameras	O	Yes	Other Assets	Plant & equipment	110	–	–	90	10	10	All	New
Electro-technical Services - Distribution	Schaapkop 66kv Substation	E	Yes	Infrastructure - Electricity	Transmission & Reticulation	4,043	2,043	–	500	500	1,000	All	New
Electro-technical Services - Distribution	Eskom Extention Cost	E	Yes	Infrastructure - Electricity	Transmission & Reticulation	26,221	20,000	6,221	–	500	500	All	New
Electro-technical Services - Distribution	Herolds Bay 66kv Substation	E	Yes	Infrastructure - Electricity	Transmission & Reticulation	15,459	4,959	4,500	2,000	2,000	2,000	23	New
Electro-technical Services - Distribution	Electrification - Erf 325	E	Yes	Infrastructure - Electricity	Transmission & Reticulation	11,980	5,559	6,422	–	–	1,754	14	New
Electro-technical Services - Distribution	Reticulation Scheme	E	Yes	Infrastructure - Electricity	Transmission & Reticulation	1,904	149	–	–	–	–	All	New
Electro-technical Services - Distribution	Energy Efficient Streetlights	E	Yes	Infrastructure - Electricity	Street Lighting	–	–	–	–	–	–	All	New

Municipal Vote/Capital project R thousand	Program/Project description	IDP Goal code 2	Individually Approved (Yes/No) 6	Asset Class 3	Asset Sub-Class 3	Total Project Estimate	Prior year outcomes		2013/14 Medium Term Revenue & Expenditure Framework			Project information	
							Audited Outcome 2011/12	Current Year 2012/13 Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16	Ward location	New or renewal
Electro-technical Services - Distribution	Upgr Low voltage lines	E	Yes	Infrastructure - Electricity	Transmission & Reticulation	5,956	106	—	1,250	1,950	2,650	4, 16, 18, 19	Renewal
Electro-technical Services - Distribution	Load Control and Power factor	E	Yes	Infrastructure - Electricity	Transmission & Reticulation	3,082	332	—	800	850	1,100	All	New
Electro-technical Services - Distribution	Replace obsolete switchgear & equipment	E	Yes	Infrastructure - Electricity	Transmission & Reticulation	9,321	1,972	2,449	1,900	2,000	1,000	All	Renewal
Electro-technical Services - Distribution	Computer Software	E	Yes	Intangibles	Computers - software & programming	60	—	10	10	10	30	All	New
Electro-technical Services - Distribution	Furniture & Office equipment	E	Yes	Other Assets	Furniture and other office equipment	131	11	30	30	10	50	All	New
Electro-technical Services - Distribution	Computers	E	Yes	Other Assets	Computers - hardware/equipment	307	32	—	50	50	175	All	New
Electro-technical Services - Distribution	Tools & Electrical Equipment	E	Yes	Other Assets	Plant & equipment	2,934	140	936	550	358	950	All	New
												1, 3, 4, 5, 9, 10, 11, 12, 13, 15, 16, 17, 19, 20,	
Electro-technical Services - Distribution	Upgr and Extention of 11kv network	E	Yes	Infrastructure - Electricity	Transmission & Reticulation	14,318	78	1,000	2,900	3,800	6,540	25	Renewal
Electro-technical Services - Distribution	Upgr of Control Centrum	E	Yes	Other Assets	Plant & equipment	2,350	—	200	750	700	700	All	Renewal
Electro-technical Services - Distribution	Ward Projects - Electricity	E	Yes	Other Assets	Plant & equipment	18	—	18	—	—	—	24	Renewal
Electro-technical Services - Distribution	Expansion of master plan	E	Yes	Infrastructure - Electricity	Transmission & Reticulation	1,800	—	—	400	400	1,000	All	New
Electro-technical Services - Distribution	New Transformers	E	Yes	Infrastructure - Electricity	Transmission & Reticulation	9,900	—	—	400	400	9,500	All	New
Electro-technical Services - Distribution	Protea Park 66kv Substation	E	Yes	Infrastructure - Electricity	Transmission & Reticulation	500	—	—	500	—	—	6	New
Electro-technical Services - Distribution	Energy Management	E	Yes	Infrastructure - Electricity	Transmission & Reticulation	—	—	—	—	—	—	All	New
Electro-technical Services - Distribution	Ad-hoc development	E	Yes	Infrastructure - Electricity	Transmission & Reticulation	—	—	—	—	—	—	All	New
Electro-technical Services - Distribution	Reticulation Scheme - Syferfontein	E	Yes	Infrastructure - Electricity	Transmission & Reticulation	500	—	500	—	—	—	9, 10, 21, 11, 13, 12, 15	New
Electro-technical Services - Distribution	Low Voltage Upgrading and Diversions	E	Yes	Infrastructure - Electricity	Transmission & Reticulation	100	—	—	100	—	—	15	New
Electro-technical Services - Distribution	Reticulation Scheme - Thembalethu	E	Yes	Infrastructure - Electricity	Transmission & Reticulation	17,105	—	—	5,263	4,386	7,456	23	New
Electro-technical Services - Distribution	Reticulation Scheme - UISP	E	Yes	Infrastructure - Electricity	Transmission & Reticulation	3,000	—	1,500	1,000	—	500	15	New
Electro-technical Services - Distribution	Upgr & Extention of Buildings	E	Yes	Other Assets	Civic Land and Buildings	300	—	—	160	70	70	All	Renewal
Treasury	Furniture	N	Yes	Other Assets	Furniture and other office equipment	277	97	30	50	50	50	All	New
	Samras Plus Software	N	Yes	Intangibles	Compter software	—	—	—	—	—	—	All	New
	Computer equipment	N	Yes	Other Assets	Computers - hardware/equipment	615	30	125	—	230	230	All	New
	Overtime Module	N	Yes	Intangibles	Compter software	73	73	—	—	—	—	All	New
	Vehicles	N	Yes	Other Assets	General vehicles	700	—	—	700	—	—	All	New
	Hydraulic Jacks	E	Yes	Other Assets	Plant & equipment	30	—	—	30	—	—	All	New
	Fence at Stores	N	Yes	Community	Security and policing	—	—	—	—	—	—	All	New
Total Capital expenditure						109,695	153,523	251,024	215,174	214,331			

Table 57 – SA37: Projects delayed from previous financial years

Municipal Vote/Capital project R thousand	Project name	Asset Class 3	Asset Sub-Class 3	Previous target year to complete	Current Year 2012/13		2013/14 Medium Term Revenue &		
					Original Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Civil Engineering Services - Water Purification	Raising Garden Route dam	<i>Infrastructure - Water</i>	<i>Dams & Reservoirs</i>	2011/12	12,560	–	9,992	–	–
Civil Engineering Services - Streets & Stormwater	Vehicles	<i>Other Assets</i>	<i>General vehicles</i>	2012/13	1,500	–	1,500	–	–
Civil Engineering Services - Water Networks	Truck	<i>Other Assets</i>	<i>General vehicles</i>	2012/13	300	–	300	–	–
Civil Engineering Services - Water Purification	Bakkie	<i>Other Assets</i>	<i>General vehicles</i>	2012/13	200	–	200	–	–
Electro-technical Services - Fleet Management	Vehicle Tracking System	<i>Intangibles</i>	<i>Computers - software & programming</i>	2014/15	400	–	500	500	500
Community Services - Sport & Recreation	Lawaikamp Sportground	<i>Community</i>	<i>Sportsfields & stadia</i>	2012/13	1,000	800	200	–	–
Community Services - Sport & Recreation	Upgr Rosemore Sport Infrastructure	<i>Community</i>	<i>Sportsfields & stadia</i>	2012/13	3,070	1,470	1,600	–	–
Community Services - Traffic Services	Security Counter	<i>Other Assets</i>	<i>Furniture and other office equipment</i>	2012/13	150	–	250	–	–
Community Services - Traffic Services	Replacement of Vehicles	<i>Other Assets</i>	<i>General vehicles</i>	2012/13	1,800	–	1,800	–	–
Community Services - Refuse Removal	Refuse Truck	<i>Other Assets</i>	<i>Specialised vehicles - Refuse</i>	2012/13	4,300	–	4,300	–	–
Community Services - Refuse Removal	TLB's	<i>Other Assets</i>	<i>Specialised vehicles - Refuse</i>	2012/13	1,300	–	1,300	–	–
Corporate Services - IT Services	Server	<i>Other Assets</i>	<i>Furniture and other office equipment</i>	2012/13	250	–	250	–	–
Corporate Services - Administration	Clocking System	<i>Intangibles</i>	<i>Computers - software & programming</i>	2012/13	170	–	170	–	–

2.7.9 Supporting detail to A4 (Budgeted Financial Performance) and A6 (Budgeted Financial Position)

Table 58 – SA1: Supporting detail to Statement of Financial Performance

Description	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue &			
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16	
R thousand											
REVENUE ITEMS:											
Property rates											
Total Property Rates	132,374	149,778	163,896	181,679	181,679	181,679	181,679	198,716	207,492	219,975	
less Revenue Foregone	27,883	30,897	36,107	37,832	37,573	37,573	37,573	39,783	42,202	44,769	
Net Property Rates	104,491	118,881	127,788	143,847	144,107	144,107	144,107	158,933	165,289	175,207	
Service charges - electricity revenue											
Total Service charges - electricity revenue	267,361	310,240	373,968	409,170	417,170	417,170	417,170	444,276	468,792	496,899	
less Revenue Foregone			182	298							
Net Service charges - electricity revenue	267,361	310,240	373,785	408,871	417,170	417,170	417,170	444,276	468,792	496,899	
Service charges - water revenue											
Total Service charges - water revenue	56,002	67,306	82,956	91,173	93,323	93,323	93,323	100,623	104,858	111,150	
less Revenue Foregone			16,563	17,432	12,000	12,000	12,000	13,900	14,734	15,618	
Net Service charges - water revenue	56,002	67,306	66,393	73,742	81,323	81,323	81,323	86,723	90,124	95,532	
Service charges - sanitation revenue											
Total Service charges - sanitation revenue	40,852	46,462	66,289	71,297	72,567	72,567	72,567	78,021	81,537	86,429	
less Revenue Foregone			14,113	13,068	20,100	20,100	20,100	21,801	23,109	24,496	
Net Service charges - sanitation revenue	40,852	46,462	52,176	58,230	52,467	52,467	52,467	56,220	58,428	61,933	
Service charges - refuse revenue											
Total refuse removal revenue	26,305	30,484	49,603	53,807	53,807	53,807	53,807	57,736	60,458	64,085	
Total landfill revenue	–	–	–	–	–	–	–	–	–	–	
less Revenue Foregone	–	–	14,501	14,875	17,500	17,500	17,500	19,000	20,140	21,348	
Net Service charges - refuse revenue	26,305	30,484	35,101	38,932	36,307	36,307	36,307	38,736	40,318	42,737	
Other Revenue by source											
Building Plan fees and related income	4,519	4,028	2,224	1,908	1,908	1,908	1,908	2,022	2,144	2,272	
Sundry income	9,425	9,917	14,636	21,407	12,632	12,632	12,632	12,027	11,935	12,313	
Total 'Other' Revenue	13,943	13,945	16,859	23,315	14,540	14,540	14,540	14,049	14,079	14,585	
EXPENDITURE ITEMS:											
Employee related costs											
Basic Salaries and Wages	119,922	128,881	138,333	164,895	162,886	162,886	162,886	188,391	200,088	213,831	
Pension and UIF Contributions	19,457	21,637	23,710	27,629	27,629	27,629	27,629	29,190	30,741	32,893	
Medical Aid Contributions	7,274	8,655	9,840	14,877	14,877	14,877	14,877	15,530	16,569	17,729	
Overtime	11,425	13,775	16,666	12,499	15,703	15,703	15,703	16,709	17,882	19,136	
Performance Bonus	943	120	587	1,155	1,155	1,155	1,155	–	–	–	
Motor Vehicle Allowance	6,992	7,799	8,622	9,480	9,629	9,629	9,629	10,725	10,782	11,537	
Cellphone Allowance	518	510	631	443	460	460	460	677	461	494	
Housing Allowances	1,426	1,271	1,328	1,246	1,246	1,246	1,246	1,174	1,276	1,365	
Other benefits and allowances	17,096	17,940	19,246	15,697	15,875	15,875	15,875	16,083	18,121	19,328	
Payments in lieu of leave	13,655	10,048	10,739	11,542	11,542	11,542	11,542	12,412	13,136	14,056	
Long service awards	810	919	796	1,124	1,124	1,124	1,124	1,203	1,288	1,378	
Post-retirement benefit obligations	20,222	17,731	18,919	–	–	–	–	–	–	–	
<i>sub-total</i>		219,740	229,287	249,415	260,586	262,125	262,125	262,125	292,094	310,343	331,748
<i>Less: Employee costs capitalised to PPE</i>		–	513	536	–	–	–	–	100	100	100
Total Employee related costs	219,740	228,773	248,879	260,586	262,125	262,125	262,125	291,994	310,243	331,648	
Contributions recognised - capital											
Capital contributions	5,778	5,627	5,227	5,947	5,947	5,947	5,947	6,303	6,682	7,083	
Second Dwellings	197	179	68	299	299	299	299	317	336	356	
Contribution to Parking facilities	708	392	381	–	–	–	–	–	–	–	
Endowment Fees	25	–	–	–	–	–	–	–	–	–	
Sale of Erven	10,763	5,356	6,474	–	2,500	2,500	2,500	–	–	–	
Total Contributions recognised - capital	17,472	11,555	12,149	6,246	8,746	8,746	8,746	6,620	7,018	7,439	

George Municipality – 2013/14 Annual Budget and MTREF

Description	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Budget Year		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	2013/14	+1 2014/15	+2 2015/16
R thousand										
Depreciation & asset impairment										
Depreciation of Property, Plant & Equipment	79,201	94,135	106,104	101,989	107,934	107,934	107,934	100,225	95,888	89,430
Lease amortisation	362	442	569	–	–	–	–	–	–	–
Capital asset impairment	–	–	–	–	–	–	–	–	–	–
Depreciation resulting from revaluation of PPE	–	–	–	–	–	–	–	–	–	–
Total Depreciation & asset impairment	79,563	94,577	106,672	101,989	107,934	107,934	107,934	100,225	95,888	89,430
Bulk purchases										
Electricity Bulk Purchases	151,841	192,921	244,297	279,863	281,839	281,839	281,839	301,850	325,998	352,078
Water Bulk Purchases	–	–	–	–	–	–	–	–	–	–
Total bulk purchases	151,841	192,921	244,297	279,863	281,839	281,839	281,839	301,850	325,998	352,078
Transfers and grants										
Cash transfers and grants	5,508	5,124	1,188	1,424	1,446	1,446	1,446	2,318	2,331	2,343
Non-cash transfers and grants	–	–	–	587	–	–	–	–	–	–
Total transfers and grants	5,508	5,124	1,188	2,011	1,446	1,446	1,446	2,318	2,331	2,343
Contracted services										
Housing Projects	5,929	63,744	66,516	25,420	43,544	43,544	43,544	41,793	1,310	1,360
Proclaimed Roads	286	406	218	29,794	30,295	30,295	30,295	30,681	5,000	–
Integrated Transport Services	–	–	–	10,000	2,000	2,000	2,000	94,389	55,449	49,311
Traffic Contractors	666	4,257	4,952	4,723	4,680	4,680	4,680	4,697	4,836	5,124
Electricity Contractors	8,506	10,176	11,979	10,720	14,570	14,570	14,570	15,721	16,964	18,535
Refuse Contractors	1,710	2,145	2,918	3,054	2,904	2,904	2,904	3,046	1,930	2,230
Parks and Garden Contractors	2,514	3,008	2,741	2,780	2,940	2,940	2,940	2,940	3,020	3,110
Dumping Site Contractors	3,573	3,473	4,324	4,179	4,544	4,544	4,544	3,900	4,060	4,270
Town Planning Contractors	832	619	841	1,105	825	825	825	1,105	1,105	1,105
Internal Auditors	2,209	2,546	2,673	2,590	2,830	2,830	2,830	2,830	2,830	2,830
Financial Services Contractors	1,757	1,910	66	2,025	1,525	1,525	1,525	1,525	2,530	2,320
Street Cleansing Contractors	602	590	425	440	795	795	795	670	670	670
Cemeteries Contractors	501	462	749	740	740	740	740	740	760	780
Other Contracted Services	4,953	1,291	1,847	2,804	5,407	5,407	5,407	6,325	3,136	3,138
Total contracted services	34,039	94,627	100,248	100,374	117,598	117,598	117,598	210,362	103,600	94,783
Other Expenditure By Type										
Collection costs	5,602	5,960	4,728	500	4,070	4,070	4,070	4,200	4,200	4,200
Contributions to 'other' provisions	–	–	–	–	–	–	–	–	–	–
Consultant fees	1,606	1,581	1,565	2,250	1,950	1,950	1,950	1,946	2,150	2,150
Audit fees	2,582	3,333	3,907	3,960	3,540	3,540	3,540	3,700	3,800	4,100
General expenses										
Advertising cost	903	953	960	989	1,310	1,310	1,310	1,278	1,338	1,398
Bank charges	1,001	906	1,131	1,000	1,327	1,327	1,327	1,327	1,327	1,327
Chemicals	7,163	7,249	9,335	10,430	10,420	10,420	10,420	11,360	11,890	12,124
Flood damage	500	1,476	515	–	4	4	4	396	–	–
Insurance	1,354	1,867	1,939	2,697	2,636	2,636	2,636	2,712	2,712	2,712
Lease rentals on operating leases	1,953	1,523	1,406	1,816	1,751	1,751	1,751	1,808	1,818	1,828
Motor vehicle expenses	8,495	8,900	11,415	12,480	14,054	14,054	14,054	13,901	14,475	15,136
Printing and Stationery	1,976	1,892	1,688	1,951	1,947	1,947	1,947	1,899	1,899	1,899
Telephone and fax	1,767	1,512	1,499	1,568	1,594	1,594	1,594	1,606	1,612	1,619
Training	1,007	1,138	177	800	577	577	577	750	850	900
Maintenance - Streets and Stormwater Network	19,238	19,495	18,174	20,592	19,981	19,981	19,981	20,337	21,412	22,542
Maintenance - Electricity Network	6,252	5,435	3,578	7,057	4,937	4,937	4,937	6,689	7,053	7,420
Maintenance - Water Network	6,091	3,319	3,463	6,989	5,232	5,232	5,232	5,812	6,114	6,431
Maintenance - Sewerage Network	6,105	8,972	10,424	9,500	13,171	13,171	13,171	14,032	14,734	15,470
Maintenance of machinery	1,863	3,266	2,623	3,166	3,404	3,404	3,404	3,589	3,769	3,957
Legal Fees	2,641	686	1,406	1,618	2,860	2,860	2,860	2,860	2,860	2,860
Security Services	3,162	3,288	4,209	4,293	4,467	4,467	4,467	4,122	4,153	4,202
Total unspecified general expenditure	69,334	54,622	51,815	53,824	57,695	57,695	57,695	72,127	75,087	78,989
Total 'Other' Expenditure	150,596	137,373	135,958	147,480	156,926	156,926	156,926	176,450	183,253	191,264

Repairs and Maintenance by Expenditure Item										
Employee related costs										
Other materials										
Contracted Services										
Other Expenditure	52,446	55,364	52,814	64,618	65,436	65,436	65,436	70,758	74,341	78,168
Total Repairs and Maintenance Expenditure	52,446	55,364	52,814	64,618	65,436	65,436	65,436	70,758	74,341	78,168

Table 59 – SA3: Supporting detail to Statement of Financial Position

Description	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand										
ASSETS										
Call investment deposits										
Call deposits < 90 days	–	–	–	–	–	–	–	–	–	–
Other current investments > 90 days	–	–	–	–	–	–	–	–	–	–
Total Call investment deposits	–	–	–	–	–	–	–	–	–	–
Consumer debtors										
Consumer debtors	97,665	107,134	114,875	92,184	92,184	92,184	92,184	118,321	121,279	122,492
<u>Less: Provision for debt impairment</u>	(26,935)	(28,884)	(27,576)	(26,800)	(26,800)	(26,800)	(26,800)	(24,906)	(29,874)	(38,297)
Total Consumer debtors	70,730	78,250	87,298	65,384	65,384	65,384	65,384	93,414	91,405	84,195
Debt impairment provision										
Balance at the beginning of the year	23,717	26,935	28,884	20,000	20,000	20,000	20,000	26,800	24,906	29,874
Contributions to the provision	10,082	29,093	21,022	21,294	21,294	21,294	21,294	22,000	29,100	31,200
Bad debts written off	(6,863)	(27,144)	(22,330)	(14,494)	(14,494)	(14,494)	(14,494)	(23,894)	(24,133)	(22,777)
Balance at end of year	26,935	28,884	27,576	26,800	26,800	26,800	26,800	24,906	29,874	38,297
Property, plant and equipment (PPE)										
PPE at cost/valuation (excl. finance leases)	2,216,123	2,301,230	2,500,851	2,556,605	2,624,832	2,624,832	2,624,832	2,870,413	3,090,948	3,308,868
Leases recognised as PPE	695	–	–	10,650	5,350	5,350	5,350	64,580	56,150	58,289
<u>Less: Accumulated depreciation</u>	340,213	434,129	549,728	638,908	644,853	644,853	644,853	745,079	840,966	930,397
Total Property, plant and equipment (PPE)	1,876,605	1,867,101	1,951,123	1,928,346	1,985,328	1,985,328	1,985,328	2,189,915	2,306,131	2,436,761
LIABILITIES										
Current liabilities - Borrowing										
Short term loans (other than bank overdraft)	–	–	–	–	–	–	–	–	–	–
Current portion of long-term liabilities	26,064	30,533	33,843	35,932	35,432	35,432	35,432	36,366	40,145	38,848
Total Current liabilities - Borrowing	26,064	30,533	33,843	35,932	35,432	35,432	35,432	36,366	40,145	38,848
Trade and other payables										
Trade and other creditors	83,811	93,220	92,363	63,247	63,247	63,247	63,247	89,815	83,661	87,257
Unspent conditional transfers	13,412	30,178	41,994	22,000	22,000	22,000	22,000	13,957	27,828	27,635
VAT	6,062	–	–	–	–	–	–	–	–	–
Total Trade and other payables	103,384	123,399	134,358	85,247	85,247	85,247	85,247	103,772	111,690	114,891
Non current liabilities - Borrowing										
Borrowing	487,384	520,870	487,034	453,031	453,031	453,031	453,031	416,665	376,520	337,672
Finance leases (including PPP asset element)	–	–	–	9,650	4,850	4,850	4,850	69,430	74,630	77,230
Total Non current liabilities - Borrowing	487,384	520,870	487,034	462,681	457,881	457,881	457,881	486,095	451,150	414,902
Provisions - non-current										
Retirement benefits	79,551	92,521	109,146	94,436	94,436	94,436	94,436	100,102	105,107	107,209
<i>List other major provision items</i>										
Refuse landfill site rehabilitation	–	3,396	3,153	–	–	–	–	3,540	3,750	3,973
Other	725	10,469	10,469	–	–	–	–	12,438	14,795	17,619
Total Provisions - non-current	80,276	106,386	122,769	94,436	94,436	94,436	94,436	116,079	123,653	128,802
CHANGES IN NET ASSETS										
Accumulated Surplus/(Deficit)										
Accumulated Surplus/(Deficit) - opening balance	1,694,743	1,645,968	1,650,898	1,890,895	1,890,895	1,738,950	1,738,950	1,919,730	1,998,354	2,142,396
GRAP adjustments	58,041	–	–	–	–	–	–	–	–	–
Restated balance	1,752,784	1,645,968	1,650,898	1,890,895	1,890,895	1,738,950	1,738,950	1,919,730	1,998,354	2,142,396
Surplus/(Deficit)	3,489	5,558	(6,332)	59,329	64,749	64,749	64,749	109,055	57,601	58,984
Appropriations to Reserves	–	–	–	–	–	–	–	–	–	–
Transfers from Reserves	(1,864)	(628)	(3,301)	–	–	(220)	(220)	215	233	251
Depreciation offsets	–	–	–	–	–	–	–	–	–	–
Other adjustments	(0)	(0)	97,684	(16,340)	(86,072)	116,251	116,251	(30,646)	86,209	143,896
Accumulated Surplus/(Deficit)	1,754,409	1,650,898	1,738,950	1,933,883	1,869,572	1,919,730	1,919,730	1,998,354	2,142,396	2,345,528
Reserves										
Housing Development Fund	70,083	70,711	74,011	74,246	74,246	74,231	74,231	74,016	73,783	73,531
Capital replacement	–	–	–	–	–	–	–	–	–	–
Self-insurance	–	–	–	–	–	–	–	–	–	–
Other reserves	–	–	–	–	–	–	–	–	–	–
Revaluation	–	–	–	–	–	–	–	–	–	–
Total Reserves	70,083	70,711	74,011	74,246	74,246	74,231	74,231	74,016	73,783	73,531
TOTAL COMMUNITY WEALTH/EQUITY	1,824,492	1,721,609	1,812,961	2,008,129	1,943,818	1,993,961	1,993,961	2,072,370	2,216,179	2,419,059

2.8 Municipal Manager's Quality Certificate

I, TREVOR BOTHA, The Municipal Manager of George Municipality hereby certify that the annual budget and supporting documentation for the 2013/2014 Financial Year, have been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act, and that the annual budget and supporting documentation are consistent with the Integrated Development Plan.

Print Name

TREVOR BOTHA

Municipal Manager of

GEORGE (WCCM4)

Signature

TBH

Date

29/05/2013